THE CITIZENS STANDARD

Comparison with Alternative Monetary and Distributional Systems

A Common-Axes Framework Placing the Architecture Among Universal Basic Income, Social Security, Sovereign Wealth Funds, and Georgism — Including Where It Is Dominated

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COMPANION PAPERS

The Citizens Standard: One Model, Many Systems (Neo-Solon, 2026a) · SSRN 6702518

The Citizens Standard: A Macroeconomic Model of a Two-Circuit Monetary System (Neo-Solon, 2026e) · SSRN 6939418

The Citizens Standard: Full-Reserve Banking and the Two-Circuit System (Neo-Solon, 2026f) · SSRN 6939498

The Citizens Standard: The Structural Buyer (Neo-Solon, 2026h) · SSRN 6945320

The Citizens Standard: The Issuance Engine (Neo-Solon, 2026i) · SSRN 6973261

The Citizens Standard: Governance and the Political Economy of the Parameters (Neo-Solon, 2026k) · SSRN 6973318

The Citizens Standard: Crisis Behaviour and Failure Modes (Neo-Solon, 2026l) · SSRN 6973358

Abstract

Twelve papers in this series answer the question “can it work.” This one answers the question outside economists actually ask first: why this rather than the alternative they already favour. The paper sets a common set of evaluation axes — funding source and its sustainability, what the system builds (an income flow or a wealth stock), coverage, whether it carries a built-in price-stability mechanism, capture-resistance, and demonstrated maturity — and places the Citizens Standard (CS) on them alongside its genuine distributional cousins: universal basic income, social security, the sovereign-wealth-fund / Alaska model, and Georgist land-value taxation. The stance is deliberately even-handed: the paper concedes, axis by axis, where a rival dominates. Universal basic income is simpler and faster to implement; social security and the sovereign-wealth-fund model are proven at national scale; Georgism's land-value-tax base is more allocatively efficient than any other funding source considered. CS's claim is not that it wins on every axis but that it occupies a distinctive cell none of the others do: among universal systems it is the only one that is at once self-financing (funded by growth-tied money issuance rather than taxation), wealth-building (a locked, compounding stock rather than only a transfer), and equipped with an explicit inflation-control mechanism. The paper also clears away three frequent but mistaken comparisons: full-reserve banking is not a rival but a component CS adopts; central-bank digital currency is a payment technology orthogonal to the distributional question; and Modern Monetary Theory is a macro-accounting framework whose inflation-control problem CS answers with a rule rather than discretion. The comparative advantage is stated conditionally, not absolutely: it rests on sustained growth and on a price-stability mechanism that holds under stress — both of which the crisis paper (Neo-Solon 2026l) shows to be real vulnerabilities.

Methods and stance. This is an analytical positioning paper, not an empirical one; its discipline is the fair statement of each alternative on common axes and the explicit concession of where CS is dominated. It consolidates comparisons distributed across the series (the architecture, governance, and validation papers) under one framework rather than re-deriving them, and it states the comparative claim as conditional on the vulnerabilities the crisis paper identifies.

JEL classification: E42, H55, D63, E63, P16, H23

Keywords: Citizens Standard; universal basic income; social security; sovereign wealth fund; Georgism; land-value tax; full-reserve banking; central-bank digital currency; modern monetary theory; comparative analysis

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1. The Question This Paper Answers

Twelve papers answer “can it work”; none answers “why this.” The series has established, at length, that the architecture is internally coherent, historically calibrated, and survivable under stress. That settles feasibility. It does not settle the prior question a sceptical economist, policy analyst, or political theorist asks on first contact: granting that it works, why is it preferable to the distribution system I already advocate? Without a dedicated answer, a reader pattern-matches CS to the nearest familiar idea — a basic income, a sovereign fund, a monetary crank's reform — and dismisses it on that idea's known weaknesses. This paper is the answer, and it is written to persuade the sceptic, not the convert.

The even-handed stance is a method, not a courtesy. A comparison framed as “why CS is superior” is the easiest paper in the series for a hostile reader to discard, because it signals motivated reasoning before the first table. This paper takes the opposite stance: it fixes common axes, places every system on them including CS, and concedes on each axis where a rival wins. The conclusion is earned by being willing to lose individual axes. A claim of dominance everywhere would not be believed, and should not be.

What is and is not compared. Only genuine distributional cousins are compared head-to-head: universal basic income, social security, the sovereign-wealth-fund / Alaska model, and Georgist land-value taxation. Three systems frequently named in the same breath — full-reserve banking, central-bank digital currency, and Modern Monetary Theory — are not direct rivals on the distributional axis, for reasons Section 4 makes explicit; treating them as competitors is a category error this paper tries to dispel rather than commit.

2. A Comparative Framework

The axes. Six axes separate these systems cleanly. (i) Funding source — general taxation, payroll contributions, resource rents, land rents, or money issuance — and whether it is self-financing or tax-dependent. (ii) What the system builds: an income flow that is consumed, or a wealth stock that compounds and can be bequeathed. (iii) Coverage: universal, contributory, or means-tested. (iv) Whether it carries a built-in price-stability mechanism, or relies on outside policy to contain inflation. (v) Capture-resistance: how easily the benefit can be cut, raided, or inflated away. (vi) Maturity: proven at scale, partially deployed, or theoretical.

Two of these axes do most of the work. The deepest structural differences reduce to a two-by-two: tax-dependent versus self-financing on one side, income-flow versus wealth-stock on the other. Universal basic income and social security are tax-dependent income flows. The sovereign-wealth-fund model is a self-financing wealth stock — but one that requires a resource or fiscal surplus to seed. Georgism is, strictly, a funding source rather than a complete system, and can sit under any of the others. The cell that is conspicuously thin in real-world practice — a self-financing, wealth-building, universal system that does not need a pre-existing resource windfall to start — is the cell CS is built to occupy, and the rest of the paper tests whether it occupies it honestly.

3. The Distributional Cousins

3.1 Universal Basic Income

What it does well. A universal basic income (Van Parijs & Vanderborght 2017) is the simplest and fastest of the alternatives: a flat, unconditional cash transfer to every citizen. Its virtues are real and CS cannot match them — administrative simplicity, immediacy, and transparency. If the goal is to put a floor under consumption next year, UBI is the most direct instrument available.

Where it is weaker. UBI is a tax-dependent income flow with no built-in funding base and no price-stability mechanism: it must be financed each period from taxation or borrowing, and a large universal transfer raises the standing question of demand-pull inflation that UBI itself does nothing to answer. It builds no wealth stock — a recipient who spends the transfer owns nothing at the end. CS differs precisely here: it funds from issuance rather than tax, routes a majority of the budget into a locked compounding stock rather than a flow, and carries its own inflation brake. The trade is simplicity for self-financing and wealth-building; a reader who values the former over the latter should prefer UBI, and the paper says so.

3.2 Social Security

What it does well. Social security is the proven case: a contributory, near-universal social-insurance system operating at national scale for generations. Its track record is its decisive advantage over CS, which has none. It also demonstrates that a universal income guarantee is politically durable once established.

Where it is weaker. It is a pay-as-you-go income flow funded by payroll taxation, and therefore demographically exposed: a worsening worker-to-beneficiary ratio strains it directly. Critically, it builds no owned wealth — the Supreme Court held in Flemming v. Nestor (1960) that benefits are not a contractual or property right but a revisable statutory expectation. CS's locked floor is the opposite: an individually owned, compounding asset rather than a claim on future contributors. The contrast is stock versus flow and ownership versus expectation; social security wins on proof, CS on the durability of what the citizen actually holds.

3.3 Sovereign Wealth Funds and the Alaska Model

The closest cousin. The sovereign-wealth-fund model — Norway's fund, and at citizen-dividend scale the Alaska Permanent Fund (Zobel v. Williams 1982; Cummine 2016) — is the nearest relative CS has: a collectively owned asset stock that earns a market return and pays a universal dividend. It is also proven, which CS is not. On the wealth-stock axis the two are siblings.

Where CS departs from it. Two differences define the comparison. First, funding: a sovereign wealth fund must be seeded by a resource windfall or a sustained fiscal surplus — most economies have neither — whereas CS seeds its floor from growth-tied money issuance, which any growing economy generates. CS is, in effect, the sovereign-wealth-fund model generalised to economies without oil. Second, durability under politics: the Alaska dividend proved raidable — vetoed and statutorily set aside in the 2010s, as the governance paper (Neo-Solon 2026k) documents — which CS answers with constitutional, formula-based issuance rather than an annually appropriated payout. The sovereign fund leads on track record; CS's claim is to extend its logic to any economy and to harden the payout against capture.

3.4 Georgism and Land-Value Taxation

A funding philosophy more than a system. Georgism (George 1879) proposes financing public distribution from a tax on land values. Its central advantage is genuine and well-grounded: a land-value tax is close to the only major tax with no deadweight loss, because land is in fixed supply, and under the Henry George theorem land rents can in principle fund public goods efficiently (Arnott & Stiglitz 1979). On the efficiency of its funding base, Georgism dominates every alternative here, CS included.

Why it is not a complete substitute. Land-value taxation is a way to raise money, not a complete distribution architecture: it specifies the source, not what is built, for whom, or how price stability is maintained. It is better read as complementary — a Georgist land tax could fund a CS dividend or a UBI — than as a rival. CS takes the opposite design choice, funding from issuance rather than any tax, which avoids the political difficulty of land reassessment at the cost of forgoing the efficiency Georgism captures. The honest comparison is that the two answer different questions.

A worked hybrid, illustratively. To make the complementarity concrete rather than merely asserted, the replication package includes an illustrative scenario (comparative_replication/scenario_lvt_hybrid) that pairs a land-value tax with the CS architecture. It is deliberately kept apart from the audited comparison: it rests on external and contested estimates of US land rent — the conservative-to-aggressive spread is roughly fourfold — so its magnitudes are scenario illustrations, not measured results, and should not be read with the confidence of the comparison tables. Read in that spirit, four things follow.

A larger base, and a configuration that drops the equity buyer. First, the land tax is the larger and more efficient revenue stream: even at a 70% capture rate the central rent estimate funds a per-person dividend several times the CS issuance dividend, exactly the division of labour this section proposes — Georgism supplies the efficient base, CS the architecture. Second, because CS builds its wealth floors by purchasing a broad equity index in Modes A, B and C but purchases none in the pure-dividend Mode D, an LVT land dividend paired with a Mode-D monetary dividend yields two clean distribution flows with no sovereign equity buyer at all, at the cost of the locked wealth stock that the floor-building modes accumulate. The structural-buyer concern (the structural-buyer paper, Neo-Solon 2026h) is thus a property of the floor-building configuration, not of the architecture as such.

The dependence runs both ways. Third, the complementarity is mutual. A land tax that suppresses speculation and redirects capital toward production strengthens precisely the sustained-growth assumption on which the CS issuance base depends (Section 7); and CS's full-reserve banking removes the monetary amplification of a falling land price, since deposit money does not contract and funding runs are not triggered, so a phased land-tax transition is materially safer and, on illustrative thresholds, can run roughly twice as fast under CS as under fractional reserve. Fourth, the two do not in fact compete over land: the only place they touch directly is the small real-estate share of the equity index (about 1.5% of US land, and none under Mode D), and the one channel that runs against the Georgist aim — CS compressing equity yields could push capital into land — is itself neutralized by the land tax, which makes land an unattractive store of value. The scenario's figures and stated sources are in the package; the numbers are illustrative, but the direction is robust: the systems are layered and mutually reinforcing, not rival.

4. Adjacent, but Different in Kind

Full-reserve banking is a component, not a rival. Full-reserve or sovereign-money reform (Fisher 1936; Benes & Kumhof 2012) requires 100% reserve backing for deposits, separating money from credit. CS does not compete with this proposal — it incorporates it: the full-reserve, two-circuit system is the banking layer of CS (Neo-Solon 2026f). Comparing the two is a category error. Full-reserve reform on its own is a banking-stability measure with no distributional engine; CS is that reform plus the issuance-and-floor architecture built on top of it.

Central-bank digital currency is orthogonal. A CBDC is a payment and settlement technology — a question of how money is held and moved, not of who receives it or how it is created distributionally. CS is largely indifferent to the rail: it could be implemented on a CBDC or on conventional accounts. CBDC answers a different question and competes with CS on no axis in this framework.

Modern Monetary Theory is a framework, answered by a rule. MMT (Wray 2015; Kelton 2020) is a macro-accounting lens — a currency-issuing government is not revenue-constrained — not a distribution system. The substantive contrast is rule versus discretion: MMT relies on discretionary fiscal adjustment (chiefly taxation) to contain the inflation that issuance can cause, while CS builds the brake into the issuance formula itself. The crisis paper's pandemic result — CS would have issued roughly one-fifth of the realised 2020–22 expansion — is precisely the disciplined, rule-based answer to the inflation-control problem MMT leaves to discretion.

5. Where the Citizens Standard Sits

The distinctive cell. Placed on the common axes, CS does not dominate the field; it occupies a cell none of the cousins do. Among universal systems it is the only one that is simultaneously self-financing (issuance-funded, not tax-dependent), wealth-building (a locked compounding stock, not only a flow), and equipped with a built-in price-stability mechanism. Each rival leads on something CS does not: UBI on simplicity and speed, social security and the sovereign fund on demonstrated track record, Georgism on the efficiency of its funding base. CS's case is the combination, not any single column.

Table 1. *The systems on the load-bearing axes (CS conceded as unproven; each rival's leading strength in the last column).*

System	Funding source	Builds	Built-in price brake	Where it leads
Universal basic income	General taxation (tax-dependent)	Income flow	No	Simplicity and speed
Social security	Payroll tax (pay-as-you-go)	Income flow (no property right)	No	Proven at national scale
Sovereign wealth fund / Alaska	Resource rents / surplus	Wealth stock + dividend	No	Proven; owned asset
Georgism (land-value tax)	Land rents	Funding source only	No	Most efficient tax base

Citizens Standard	Growth-tied money issuance (self-financing)	Wealth stock + dividend	Yes	The combination — unproven

What it trades off — stated against interest. The distinctive cell is bought at a price the rivals do not pay. CS is the most complex of the systems here and the only one with no operating record. And its comparative advantage is conditional, not structural: it depends on sustained growth (the issuance base disappears in a contraction) and on a price-stability mechanism that holds under stress — and the crisis paper (Neo-Solon 2026l) shows both are genuine vulnerabilities, with a procyclical dividend that halts in downturns and a floor exposed to sequence risk. A fair reader should weigh the distinctive combination against an unproven, growth-contingent design. That weighing, not a verdict of dominance, is what this paper offers.

6. Comparative Claims

These are bounded comparative statements, each paired with the concession that qualifies it.

Claim 1 (The distinctive cell). Among universal distribution systems, CS is the only one that is simultaneously self-financing, wealth-building, and equipped with an explicit price-stability mechanism. This is a claim about a combination, not about dominance on any single axis.

Claim 2 (Where it is dominated). On simplicity and speed, UBI dominates; on demonstrated track record, social security and the sovereign-wealth-fund model dominate; on the allocative efficiency of the funding base, Georgism dominates. CS leads none of these axes individually and should not be presented as if it did.

Claim 3 (Category, not rivalry). Full-reserve banking, CBDC, and MMT are not distributional rivals to CS: the first is a component CS adopts, the second a payment technology orthogonal to distribution, the third a macro framework whose inflation-control problem CS answers with a rule rather than discretion.

Claim 4 (The binding condition). CS's comparative advantage is contingent on sustained growth and on a price-stability mechanism that holds under stress — conditions the rivals largely do not require. The crisis paper shows both are real vulnerabilities, so the comparative claim is conditional, and its strength scales with one's confidence that growth resumes and the brake holds.

7. Scope and Honest Limits

- This is a positioning paper; it argues from the structure of each system, not from a head-to-head empirical horse-race, which most of these alternatives have never run against one another on comparable data.
- The axes are chosen to be load-bearing and fair, but axis choice is itself a modelling decision; a reader who weights, say, administrative simplicity above all else will reasonably reach a different ranking, and the paper's table is built to let them.
- Each alternative is represented in its strong form, not a straw version; where a system has many variants (UBI funding schemes, fund governance models), the comparison uses the mainstream case and notes that variants shift specific cells.

- The comparative advantage is conditional on the vulnerabilities catalogued in the crisis paper; this paper does not re-litigate them, and a reader persuaded those vulnerabilities are fatal should discount the comparative claim accordingly.

Technical Appendix

The Evaluation Axes

Axis	Definition
Funding source	Where the money originates (taxation, payroll, resource rents, land rents, issuance), and whether the system is self-financing or must be funded each period.
What it builds	An income flow that is consumed, versus a wealth stock that compounds and can be owned and bequeathed.
Coverage	Universal, contributory, or means-tested.
Price-stability mechanism	Whether inflation control is built into the system, or left to outside policy.
Capture-resistance	How readily the benefit can be cut, raided, or inflated away (the Alaska dividend is the cautionary case).
Maturity	Proven at scale, partially deployed, or theoretical.

A. The Comparison Table

System	Funding	Builds	Coverage	Price brake	Maturity
UBI	Taxation	Flow	Universal	No	Pilots
Social security	Payroll (PAYGO)	Flow	Contributory	No	Proven
SWF / Alaska	Resource rents	Stock + flow	Universal*	No	Proven
Georgism	Land rents	Funding only	n/a	No	Partial
Citizens Standard	Issuance	Stock + flow	Universal	Yes	Theoretical

** Universal among residents, but contingent on a resource or surplus to seed the fund.*

B. Notes on the Adjacent Systems

Full-reserve banking (Fisher 1936; Benes & Kumhof 2012) is the banking layer CS adopts (Neo-Solon 2026f), not a competitor. CBDC is a settlement technology orthogonal to distribution. MMT (Wray 2015; Kelton 2020) is a macro-accounting framework; the substantive contrast with CS is rule versus discretion in inflation control, on which the crisis paper's pandemic result is the concrete illustration. None of the three is a distributional rival, and treating them as such conflates the means of payment, the macro framework, and the distribution rule.

C. Empirical Grounding (Replication)

Every cell of the comparison tables above is sourced, and the axes that admit a common-unit comparison are computed, in the replication package (comparative_replication). The categorical cells resolve to primary references — the SSA Trustees Reports, the Alaska Permanent Fund Corporation and Department of Revenue, BLS, and the peer-reviewed pilot and land-value-tax literature; the full citation key is in the package's AUDIT file. On the comparable axes the figures bear out the positioning rather than overturn it. The annual per-person benefit places the

Citizens Standard's dividend (roughly $516–$2,388 a year depending on mode) in the range of the Alaska dividend (about $1,600), well below a $1,000-a-month universal basic income, and below an average Social Security benefit — which is a contributory retirement benefit, not a universal working-age flow. The distinctive figure is the owned wealth stock: the locked floor accumulates roughly $233,000–$413,000 per person, against the Alaska fund's roughly $133,000 per resident and zero owned wealth under basic income or Social Security, the latter holding no property right (Flemming v. Nestor). The package also checks the paper's comparative claims against the figures, and Claims 1, 2 and 4 hold. These numbers are reported on common axes to make the structure of the comparison checkable; they are not a like-for-like welfare ranking, and the systems remain different in kind, exactly as Section 7 maintains.

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