BALANCED CAPITALISM WHITE PAPER

Version 2

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An Ownership-Based Framework for Broadening Participation in American Prosperity

In Commemoration of the 250th Anniversary of the United States

This document is intended to stimulate discussion, research, and public debate regarding ownership-based approaches to economic participation. Version 2 incorporates minor corrections and clarifications to the original published edition.

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Executive Summary

Balanced Capitalism is both a policy framework and an economic model designed to broaden participation in the ownership of productive assets while preserving the strengths of democratic capitalism and free markets.

Rather than redistributing wealth after it has been created, the proposal seeks to broaden participation in ownership while wealth is being created.

The proposal establishes the **National Prosperity Trust Foundation ("National Prosperity Fund" or "NPF")**, an independent federally chartered nonprofit trust foundation created by Act of Congress to hold, preserve, grow, and responsibly steward productive assets on behalf of eligible beneficiaries.

The National Prosperity Fund is designed as a permanent ownership institution through which eligible participants may participate in the future growth of the American economy while preserving entrepreneurship, investment incentives, market competition, and private enterprise.

> Its objective is ownership.
>
> Benefits flow from ownership.
>
> Ownership is not a one-time transfer of wealth. It is participation in the continuing growth of productive enterprise.

The proposal seeks to preserve capitalism, broaden ownership, build the National Prosperity Fund, and share in future prosperity.

A New Economic Model for Democratic Capitalism

Balanced Capitalism is both a policy framework and an economic model designed to broaden participation in the ownership of productive assets while preserving the strengths of democratic capitalism and free markets.

The Plan does not reject capitalism or seek to replace it. Rather, it offers a new economic model for the twenty-first century—one that seeks to preserve free enterprise while broadening participation in the ownership of productive wealth.

The following economic modeling illustrates how the National Prosperity Fund may evolve under various assumptions regarding market growth, ownership participation, and distribution policies. The figures are intended to demonstrate the long-term potential of a mature ownership framework and are not forecasts or guarantees of future performance.

The Power of Ownership – Base Scenario (8%)

This illustration assumes that the National Prosperity Fund has already reached its 50 percent ownership ceiling under the illustrative 10 percent annual allocation framework. It demonstrates the long-term economic potential of a mature ownership system and is not a forecast or guarantee of future performance.

Illustrative Scenario

• NPF reaches its 50 percent ownership ceiling at the end of Year 5.

• Fund compounds at an average annual return of 8 percent.

• Fifty percent of annual gains are distributed.

• Fifty percent of annual gains are reinvested.

• Effective long-term retained growth rate: 4 percent.

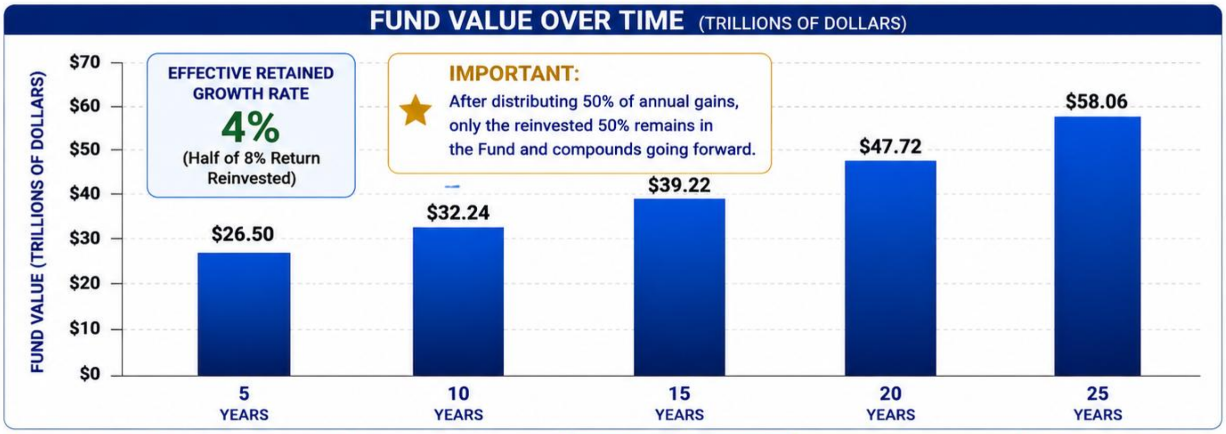
• Approximately 200 million eligible beneficiaries.

The figure below illustrates the long-term economic potential of a mature National Prosperity Fund after the ownership ceiling has been achieved and is intended for illustrative purposes only.

FIGURE B **THE POWER OF OWNERSHIP – BASE SCENARIO (8%)**

Illustrative Mature National Prosperity Fund

50% of Annual Gains Distributed, 50% Reinvested



Year	Fund Value (Trillions)	Annual Gain at 8% (Trillions)	50% Distributed (Trillions)	Annual Distribution (Trillions)	Monthly Benefit Per Person
0 (Mature Start)	$26.50	–	–	–	–
5	$26.50	$2.12	$1.06	$1.06	$442
10	$32.24	$2.58	$1.29	$1.29	$538
15	$39.22	$3.14	$1.57	$1.57	$654
20	$47.72	$3.82	$1.91	$1.91	$796
25	$58.06	$4.64	$2.32	$2.32	$968

Population Assumption: 200 Million Eligible Beneficiaries

KEY ASSUMPTIONS

- Annual Return Assumption: **8%**
- Distribution Policy: **50%** of Annual Gains
- Reinvestment Policy: **50%** of Annual Gains
- Beneficiaries: **200** Million
- Effective Retained Growth Rate: **4%** (Half of 8% Return)

NOTES:

1. All figures are in trillions of dollars, except monthly benefit per person.
2. Monthly benefit per person = (Annual Distribution ÷ 200,000,000) ÷ 12.
3. Numbers may not total exactly due to rounding.

Figure B. The Power of Ownership – Base Scenario (8%).

Key Takeaway

Under this illustrative scenario, the National Prosperity Fund enters its mature ownership phase with approximately $26.5 trillion in productive assets. Assuming an average annual return of 8 percent, with one-half of annual gains distributed and one-half reinvested, the Fund grows to approximately $58.06 trillion over twenty-five years while continuing to make substantial annual distributions to approximately 200 million eligible beneficiaries.

Having reached its 50 percent ownership ceiling, the National Prosperity Fund continues to grow through long-term compounding and reinvestment. The ownership objective therefore marks the beginning of a permanent ownership framework rather than its conclusion.

This illustrative scenario demonstrates how broader ownership participation may allow a larger share of the population to participate directly in the continuing growth of productive enterprise while preserving the incentives, institutions, and productive capacity that have historically made American capitalism successful.

Section 1 — Introduction

The United States has built one of the most productive and innovative economic systems in human history. Free-market capitalism has generated extraordinary levels of wealth, entrepreneurship, technological progress, and opportunity.

Balanced Capitalism begins with a simple premise: the strengths of democratic capitalism should be preserved while opportunities for ownership participation should be broadened.

The proposal does not seek to replace capitalism, nationalize private enterprise, or redistribute existing wealth. Rather, it seeks to broaden participation in the ownership of productive assets and allow a larger share of the population to participate in future economic growth.

As public corporations have become increasingly important drivers of wealth creation, a fundamental question emerges: who should participate in future ownership growth generated through public markets?

Balanced Capitalism seeks to answer that question through the creation of a National Prosperity Fund—an independent, professionally managed nonprofit trust foundation designed to broaden participation in the ownership of productive enterprise while preserving entrepreneurship, investment incentives, competition, and private property rights.

The proposal is guided by four principles: Preserve Capitalism; Broaden Ownership; Implement Gradually; and Promote Long-Term Prosperity.

Section 2 — The Missing Half of the Equation

Public markets are among the most powerful wealth-creation mechanisms ever developed.

Entrepreneurs create companies.

Investors provide capital.

Public markets provide liquidity, valuation, and access to millions of investors.

Yet public markets do not exist independently of society.

They depend upon:

- Contract enforcement
- Securities laws
- Courts
- Regulatory institutions
- Stock exchanges
- Transportation infrastructure

- Communications networks
- Consumers
- Retirement systems
- Public confidence

Together, these institutions create the framework within which private enterprise operates.

This relationship may be summarized in a single statement:

The market is private activity occurring within a public framework.

Balanced Capitalism refers to this concept as:

The Missing Half of the Equation.

The proposal recognizes three contributors to public-market wealth creation:

1. Entrepreneurs who create companies.
2. Investors who provide capital.
3. The public framework that makes public markets possible.

Public markets do not exist in vacuums. They depend upon legal institutions, financial infrastructure, consumers, retirement systems, and the confidence of millions of participants who collectively sustain the conditions necessary for long-term capital formation and economic growth.

The proposal asks a fundamental question:

> As future ownership expands through public markets, should the public participate in that expansion?

Balanced Capitalism answers yes.

> The proposal does not diminish the indispensable contributions of entrepreneurs and investors. Rather, it recognizes that public markets depend upon a broader framework of institutions, infrastructure, legal protections, and public confidence that make those markets possible.

The central proposition of Balanced Capitalism is therefore straightforward:

> Entrepreneurs create companies.
>
> Investors provide capital.
>
> Society provides the framework within which public markets operate.

Because all three contribute to the success of public markets, the proposal asks whether broader participation in future ownership growth may better reflect the full set of contributions that make public-market wealth creation possible.

Section 3 — Ownership vs. Redistribution

Most economic reform proposals focus on redistribution.

Wealth is first created.

Then wealth is redistributed through taxes, transfers, subsidies, benefits, or government spending.

Balanced Capitalism begins from a different question.

Rather than focusing primarily on how wealth should be redistributed after it has been created, the proposal focuses on who should participate in ownership while wealth is being created.

Redistribution addresses the results of ownership.

Balanced Capitalism addresses participation in ownership.

This distinction is fundamental.

Redistribution generally involves transferring income or wealth after economic activity has already occurred. Ownership, by contrast, allows individuals to participate directly in the continuing growth of productive assets and the wealth they create over time.

The proposal therefore differs from:

- Traditional wealth taxes
- Conventional redistribution programs
- Government ownership models
- Nationalization
- UBI-first approaches

The proposal does not seek to redistribute existing wealth.

It seeks to broaden participation in future ownership growth.

The proposal does not seek to replace private enterprise, diminish entrepreneurship, or transfer operational control of corporations to the government.

Rather, it seeks to create a broader ownership framework through which more eligible participants may participate in the continuing growth of productive enterprise while preserving the incentives that have historically made American capitalism successful.

Its central principle may be summarized simply:

The next stage of capitalism is not broader redistribution. It is broader ownership.

Ownership and redistribution need not be viewed as opposing concepts. In many cases, redistribution seeks to address the consequences of unequal ownership outcomes. Balanced Capitalism approaches the issue differently by asking whether broader ownership participation may provide an additional pathway toward expanding economic opportunity and long-term prosperity.

The proposal therefore represents an ownership-based framework rather than a redistribution-based framework.

Benefits flow from ownership.

Ownership creates participation.

Participation creates alignment.

Alignment may influence behavior and strengthen long-term engagement with the success of the broader economy.

Balanced Capitalism seeks to preserve free-market capitalism while broadening participation in the ownership opportunities created by public markets.

Section 4 — The National Prosperity Fund

Formal Definition and Legal Structure

The National Prosperity Trust Foundation ("National Prosperity Fund" or "NPF") is an independent federally chartered nonprofit trust foundation established by Act of Congress to hold, preserve, grow, and responsibly steward productive assets on behalf of eligible beneficiaries.

The Foundation shall:

- possess perpetual succession;
- exist independently of the annual federal budget and appropriations process;
- owe fiduciary duties solely to the Foundation and its eligible beneficiaries;
- operate exclusively for the long-term benefit of present and future beneficiaries; and
- function as a passive financial steward rather than a regulatory agency or executive department.

The assets of the Foundation shall not constitute assets of the United States Treasury or general revenues of the United States and shall be held solely for the benefit of eligible beneficiaries in accordance with the National Prosperity Trust Foundation Act.

Asset Protection Clause

The assets of the National Prosperity Trust Foundation shall be held in perpetual trust for eligible beneficiaries and shall not constitute assets of the United States Treasury, general revenues of the United States, or funds available for appropriation, borrowing, pledging, or expenditure except as expressly authorized by the National Prosperity Trust Foundation Act.

Political Independence Clause

No officer, department, or agency of the United States shall possess authority to direct, supervise, transfer, encumber, pledge, borrow against, or otherwise appropriate Foundation assets except pursuant to an Act of Congress specifically amending this Act.

Trustee Independence

Trustees shall:

- serve staggered fixed terms;
- owe fiduciary duties solely to beneficiaries;
- be removable only for cause;
- be protected from removal for political disagreement or investment decisions made in good faith.

Treasury's Limited Role

The United States Treasury may provide:

- payment processing;
- accounting coordination;
- tax reporting assistance;
- fraud prevention assistance;
- administrative support as authorized by statute.

Treasury shall possess no authority over:

- investment policy;
- governance;
- distribution policy;
- asset allocation;
- fiduciary decisions.

The National Prosperity Fund serves as the ownership vehicle through which eligible participants participate in the future growth of the American economy.

Its primary purpose is ownership.

The Fund is designed to:

- Preserve Capitalism
- Broaden Ownership
- Promote Long-Term Wealth Creation
- Support Future Prosperity

The NPF is envisioned as:

- Publicly owned
- Professionally managed
- Independent of routine political control
- Governed by fiduciary principles
- Structured for long-term growth
- Designed to operate indefinitely

The Fund is not:

- A federal department
- A government agency controlling corporations
- A political spending vehicle
- A nationalization program
- A welfare program

Its role is ownership participation rather than operational control.

The Fund becomes a permanent ownership institution that grows through:

- Share allocations
- Dividends
- Reinvestment
- Corporate growth
- Market appreciation

The ultimate beneficiaries are the American people.

The National Prosperity Fund is the institutional heart of Balanced Capitalism.

Legal Structure of the National Prosperity Fund

The National Prosperity Fund would be established by an Act of Congress.

The Fund would be created as an independent federally chartered nonprofit trust foundation.

The Fund would possess perpetual succession.

The Fund would operate independently from the annual federal budget.

The Fund would be governed by fiduciary duties established by the statute.

The Fund would exist solely for the benefit of eligible beneficiaries.

This legal structure is intended to provide permanence, independence, and long-term stewardship of productive assets on behalf of present and future generations.

Core Policy Principle of the NPF

The National Prosperity Fund is a passive financial steward and does not participate in corporate governance, proxy contests, or political campaigns relating to portfolio companies except as required by law to protect the Fund's economic interests.

The Fund participates economically in the growth of public corporations but does not direct their management or operations.

The National Prosperity Fund is expected to hold non-voting common shares possessing full economic rights. The Fund participates economically without directing corporate decision-making, thereby preserving existing voting structures, entrepreneurial incentives, and private sector management.

The objective of the National Prosperity Fund is not to have governmental control of private enterprise. Its objective is ownership participation.

Benefits flow from ownership.

Ownership is participation in the continuing growth of productive enterprise.

The National Prosperity Fund is therefore designed to serve as a permanent ownership framework through which eligible participants may participate in the long-term success of the American economy while preserving the institutions and incentives that have historically made free-market capitalism productive and innovative.

Section 5 — Preserving Capitalism

Ownership as an Economic Force

Most economic systems focus primarily on labor, capital, taxation, spending, regulation, and incentives.

Balanced Capitalism introduces ownership as a primary economic force.

By broadening participation in productive assets, the Plan seeks to align a larger share of the population with the long-term success of American enterprise and economic growth.

Ownership changes incentives.

And when incentives change, behavior may change as well.

A society with broader ownership participation may develop stronger incentives to support innovation, investment, productivity, and long-term prosperity.

The central idea is straightforward:

Balanced Capitalism introduces ownership as a primary economic force.

The National Prosperity Fund is administered through an independent federally chartered nonprofit trust foundation whose assets are held in trust for eligible beneficiaries.

The true innovation of the Plan is not the National Prosperity Fund.

The National Prosperity Fund is a mechanism.

The innovation is the idea that ownership can be expanded systematically and used as a long-term economic organizing principle.

This is the intellectual heart of the White Paper and distinguishes Balanced Capitalism from both traditional capitalism and traditional redistribution models.

Balanced Capitalism is designed to preserve the incentives that make capitalism successful.

Entrepreneurs continue to:

- Create companies
- Innovate
- Assume risk
- Build wealth

Investors continue to:

- Provide capital
- Allocate resources
- Earn returns
- Participate in market growth

Public corporations continue to:

- Compete
- Innovate
- Create jobs
- Pursue profitability

Markets continue to:

- Allocate resources
- Reward success
- Discipline failure

Founder control remains intact.

Private property rights remain protected.

Competition remains intact.

The proposal broadens ownership participation without transferring operational control.

The National Prosperity Fund is expected to hold non-voting common shares possessing full economic rights.

The Fund participates economically without directing corporate decision-making.

Balanced Capitalism seeks not to replace capitalism, but to strengthen capitalism through broader ownership participation.

The Ownership Alignment Effect

The Ownership Alignment Effect refers to the potential for broader ownership to create greater alignment between the economic interests of eligible participants and the long-term success of American enterprise.

By expanding participation in productive assets, Balanced Capitalism may foster a larger constituency with a direct stake in economic growth, market stability, and long-term value creation.

The White Paper does not assume that broader ownership guarantees higher market returns or eliminates market volatility.

Rather, it suggests that a society of owners may possess stronger incentives to support policies and institutions that encourage innovation, investment, productivity, and long-term prosperity.

People are more likely to value, support, and participate in systems in which they possess a meaningful ownership stake.

Balanced Capitalism may create a new form of economic alignment in which a larger share of the population directly participates in the growth of productive enterprise.

By broadening ownership, the framework may strengthen public support for long-term economic growth, innovation, and capital formation while encouraging a deeper sense of participation in the nation's economic success.

Broadening Economic Alignment

For the first time, a substantial portion of the population would possess a direct economic interest in the long-term performance of public corporations and the broader economy.

Broader ownership may strengthen public support for policies that encourage economic growth, productivity, innovation, and capital formation.

Increased participation in productive assets could foster a stronger culture of ownership, saving, long-term investment, and economic engagement.

A broad and permanent ownership base may contribute to market stability by aligning the economic interests of eligible participants more closely with the long-term success of American enterprise.

The Underlying Argument

The Plan may create a powerful positive feedback loop:

1. Eligible participants become owners.
2. Owners benefit when the economy grows.
3. Greater economic participation may encourage support for growth-oriented policies.
4. Stronger growth benefits both companies and owners.
5. The cycle may reinforce itself.

The proposal assumes that markets are influenced not only by financial calculations, but also by incentives, expectations, and the degree to which individuals feel connected to the success of the broader economy.

Broader ownership may create conditions that support a stronger and more durable ownership culture, potentially reinforcing long-term economic growth and market participation.

The central themes of the White Paper may be summarized simply:

Ownership Changes Incentives.
Ownership Creates Participation.
Participation Creates Alignment.
Alignment May Influence Behavior.
And When Behavior Changes, Economic Outcomes May Change as Well.

The Tide-Raises-All-Boats Principle

The Ownership Alignment Effect is premised on the idea that when more eligible participants share in the ownership of productive assets, more people may benefit from broad economic growth.

In this sense, rising prosperity has the potential to lift a larger number of economic "boats" than under traditional ownership structures.

By broadening ownership, the Plan may create a larger constituency with a direct economic interest in the long-term health, stability, and growth of American enterprise and capital markets.

Broader ownership could contribute to greater market resilience, although the White Paper does not suggest that positive market outcomes are guaranteed under all circumstances.

Section 6 — Implementation Framework

The Implementation Framework translates the principles of Balanced Capitalism into a practical policy structure.

The long-term objective is to achieve a balanced ownership structure within the public float of American public corporations. Under this framework, the National Prosperity Fund would ultimately own up to 50 percent of the public float, while the remaining 50 percent would continue to be owned by private investors.

To achieve this objective, the proposal adopts a gradual five-year transition period under the illustrative 10 percent annual allocation framework.

The National Prosperity Trust Foundation is structured as an independent federally chartered nonprofit trust foundation that holds productive assets on behalf of eligible beneficiaries.

The National Prosperity Fund is expected to hold non-voting common shares possessing full economic rights while preserving existing voting structures and corporate governance.

The framework also incorporates:

- Anti-dilution protections
- Preemptive rights
- Proportional ownership maintenance
- Long-term ownership growth mechanisms

The National Prosperity Fund grows through:

- Share allocations
- Dividends
- Reinvestment
- Corporate growth
- Market appreciation
- Future public offerings

Every public corporation participates under the same statutory allocation framework, regardless of when it becomes publicly traded.

Accordingly, each newly listed public corporation begins its own five-year ownership transition upon entering the public markets. Existing public corporations and future public corporations are therefore subject to the same statutory allocation schedule.

This ensures that the National Prosperity Fund continues to participate in future generations of publicly traded American companies as the economy evolves.

Balanced Capitalism establishes a permanent ownership framework through which current and future public corporations participate under the same statutory allocation system, allowing the National Prosperity Fund to evolve alongside the American economy over successive generations.

The implementation framework seeks to balance meaningful ownership participation with economic stability, investor confidence, and long-term market prosperity.

Every public company enters the same ownership pathway.

No special treatment for old companies.

No special treatment for new companies.

Just one framework.

This approach promotes fairness, simplicity, and predictability—qualities that legislators, investors, and businesses generally value when evaluating a new framework.

Exempt from Federal Taxation

NPF distributions to eligible beneficiaries would be treated as non-taxable income under the proposed framework.

Balanced Capitalism views participation in America's public capital markets as a national economic asset, analogous in principle to how Alaska treats the long-term value of its natural resource wealth through the Alaska Permanent Fund.

The National Prosperity Fund is founded upon the Missing Half of the Equation Principle: while entrepreneurs create companies and investors provide capital, public markets also depend upon the institutions, infrastructure, legal protections, consumers, and public confidence that make those markets possible.

Accordingly, the National Prosperity Fund is structured as an independent nonprofit trust foundation that holds productive assets on behalf of eligible beneficiaries.

Subject to applicable law, the Fund itself would enjoy tax-exempt status, allowing investment returns to compound efficiently while supporting long-term growth and future distributions.

There are two distinct tax questions that Congress would need to address independently.

1. Taxation of the National Prosperity Fund

This issue concerns whether the National Prosperity Fund would pay federal taxes on:

- Dividends
- Capital gains
- Interest income
- Other investment income

If Congress intends for the Fund to maximize long-term compounding and asset growth, the enabling statute could provide:

> *"The National Prosperity Fund shall be exempt from federal income taxation."*

This approach would be analogous to the favorable tax treatment afforded to certain public pension funds, sovereign wealth funds, government investment entities, and other tax-advantaged institutions, including many nonprofit foundations.

2. Taxation of Distributions to Eligible Beneficiaries

Congress would provide:

> *"Distributions received from the National Prosperity Fund by eligible beneficiaries shall not be included in gross income for federal income tax purposes."*

In other words:

- The National Prosperity Fund would not pay federal income tax on its investment earnings.
- Eligible beneficiaries would not pay federal income tax on qualified distributions received from the Fund.

These are separate and independent policy decisions that Congress would need to determine through legislation.

Phase I — Accumulation Phase

During the ownership transition period, the Fund grows through:

- Annual ownership allocations
- Market appreciation
- Dividends
- Reinvestment
- Economic growth
- Innovation
- Future public companies entering the framework

Every public corporation participates under the same statutory allocation framework regardless of when it becomes publicly traded.

Each newly listed corporation begins its own five-year ownership transition upon entering the public markets.

The objective of the accumulation phase is to build a permanent ownership institution capable of participating in the continuing growth of productive enterprise for the benefit of present and future generations.

The ownership objective therefore marks the beginning of a permanent ownership framework rather than its conclusion.

Phase II — Continuous Ownership Phase

Once participating corporations complete their ownership transitions, the National Prosperity Fund continues to evolve through:

- Market appreciation
- Dividends
- Reinvestment
- Long-term compounding
- Future public companies entering the framework
- Continuing economic growth

The ownership objective therefore marks the beginning of a permanent ownership framework rather than its conclusion.

The National Prosperity Fund is intended to be a permanent, self-renewing ownership institution rather than a temporary accumulation program.

Section 7 – Economic Modeling and Long-Term Projections

Introduction

The economic modeling presented in this White Paper is intended to illustrate the potential long-term effects of broader ownership participation under the Balanced Capitalism framework. The figures and projections are not forecasts or guarantees of future performance. Rather, they are illustrative models designed to demonstrate how a National Prosperity Fund may evolve under various assumptions regarding ownership participation, market growth, and distribution policies.

Economic modeling cannot predict the future with precision. Financial markets are dynamic, technological change is unpredictable, and public policy evolves over time. Nevertheless, long-term modeling can provide useful illustrations of how the National Prosperity Fund could develop under a range of reasonable assumptions.

The projections in this section are therefore illustrative rather than predictive. Their purpose is not to forecast exact future outcomes, but to demonstrate the potential scale of a mature National Prosperity Fund and the long-term implications of broadening ownership participation in public corporations.

Economic models necessarily rely upon assumptions. The assumptions used in this White Paper are intended to be reasonable, transparent, and grounded in the historical performance of American public markets and the long-term productive capacity of the United States economy.

Balanced Capitalism ultimately reflects confidence in the long-term productive capacity of free enterprise, innovation, and American economic growth.

All scenarios presented below assume:

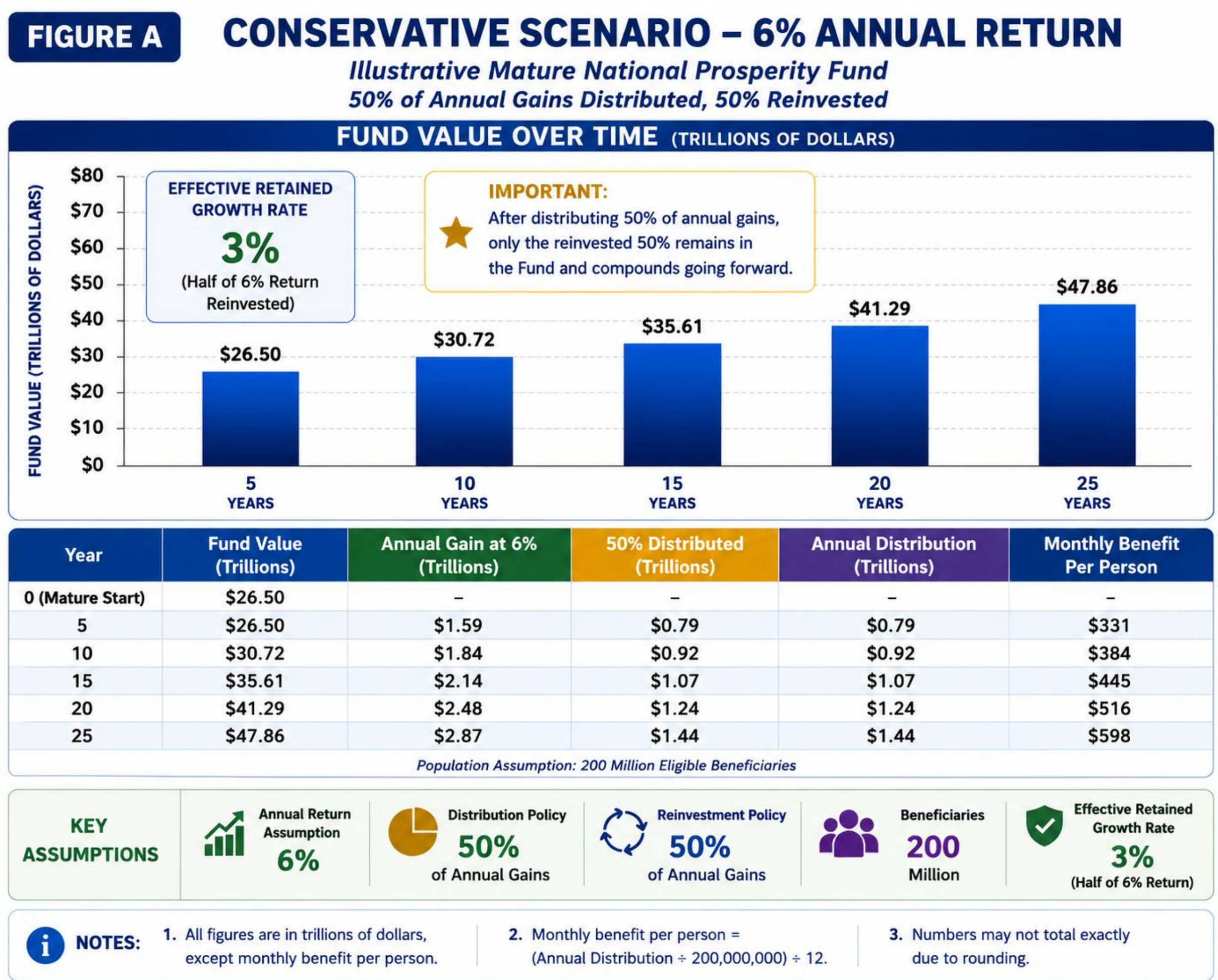
- A mature National Prosperity Fund valued initially at approximately $26.5 trillion, representing roughly 50% of the estimated public float of U.S. public corporations.
- The Fund distributes 50% of annual gains to eligible beneficiaries and reinvests the remaining 50% to preserve long-term growth.
- Approximately 200 million eligible beneficiaries participate in the distribution program.
- Distributions are derived solely from annual gains and not from principal, preserving the Fund as a permanent and growing national asset.
- Figures are presented in today's dollars and are intended solely for illustrative purposes.

The scenarios below examine four hypothetical long-term average return assumptions: 6%, 8%, 10%, and 12%.

7.1 Conservative Scenario (6%)

The conservative scenario assumes that the National Prosperity Fund earns an average annual return of 6%, approximately consistent with the lower range of long-term equity market expectations.

Even under these restrained assumptions, the Fund continues to grow while generating meaningful annual distributions for beneficiaries.



Year	Fund Value (Trillions)	Annual Gain at 6% (Trillions)	50% Distributed (Trillions)	Annual Distribution (Trillions)	Monthly Benefit Per Person
0 (Mature Start)	$26.50	–	–	–	–
5	$26.50	$1.59	$0.79	$0.79	$331
10	$30.72	$1.84	$0.92	$0.92	$384
15	$35.61	$2.14	$1.07	$1.07	$445
20	$41.29	$2.48	$1.24	$1.24	$516
25	$47.86	$2.87	$1.44	$1.44	$598

Figure A. The Power of Ownership – Conservative Scenario (6%).

Under this scenario:

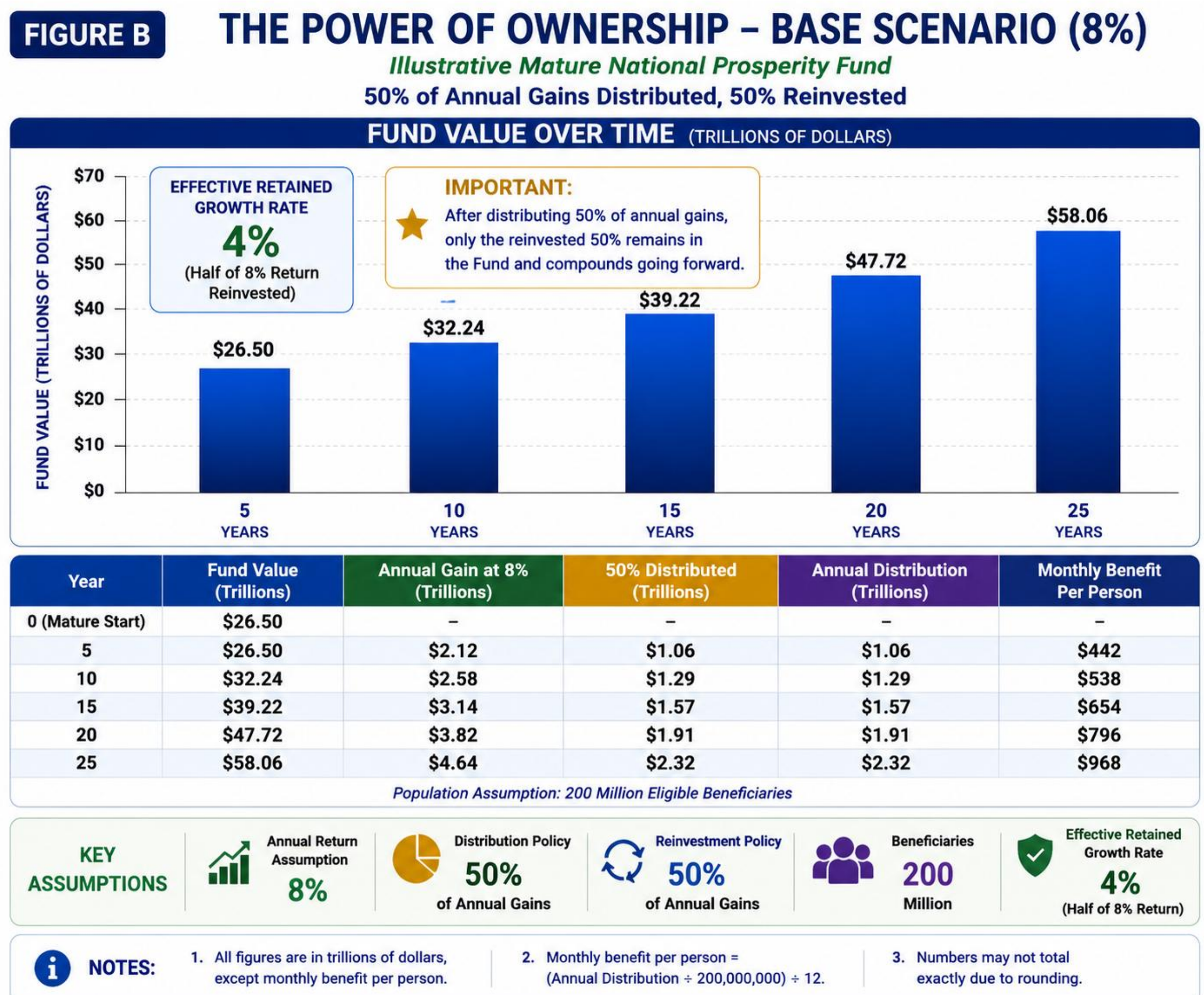
- The National Prosperity Fund enters its mature ownership phase with approximately $26.5 trillion in productive assets. The Fund grows from $26.5 trillion to approximately $47.86 trillion over twenty-five years.

- Annual distributions increase from approximately $795 billion to approximately $1.44 trillion.
- Monthly distributions rise from approximately $331 to approximately $598 per beneficiary.

The conservative scenario demonstrates that even modest long-term returns can produce substantial benefits while preserving and expanding the Fund's asset base.

7.2 Base Scenario (8%)

The base scenario assumes an average annual return of 8%, roughly consistent with long-term historical returns achieved by diversified equity portfolios.



Year	Fund Value (Trillions)	Annual Gain at 8% (Trillions)	50% Distributed (Trillions)	Annual Distribution (Trillions)	Monthly Benefit Per Person
0 (Mature Start)	$26.50	–	–	–	–
5	$26.50	$2.12	$1.06	$1.06	$442
10	$32.24	$2.58	$1.29	$1.29	$538
15	$39.22	$3.14	$1.57	$1.57	$654
20	$47.72	$3.82	$1.91	$1.91	$796
25	$58.06	$4.64	$2.32	$2.32	$968

Population Assumption: 200 Million Eligible Beneficiaries

Figure B. The Power of Ownership – Base Scenario (8%).

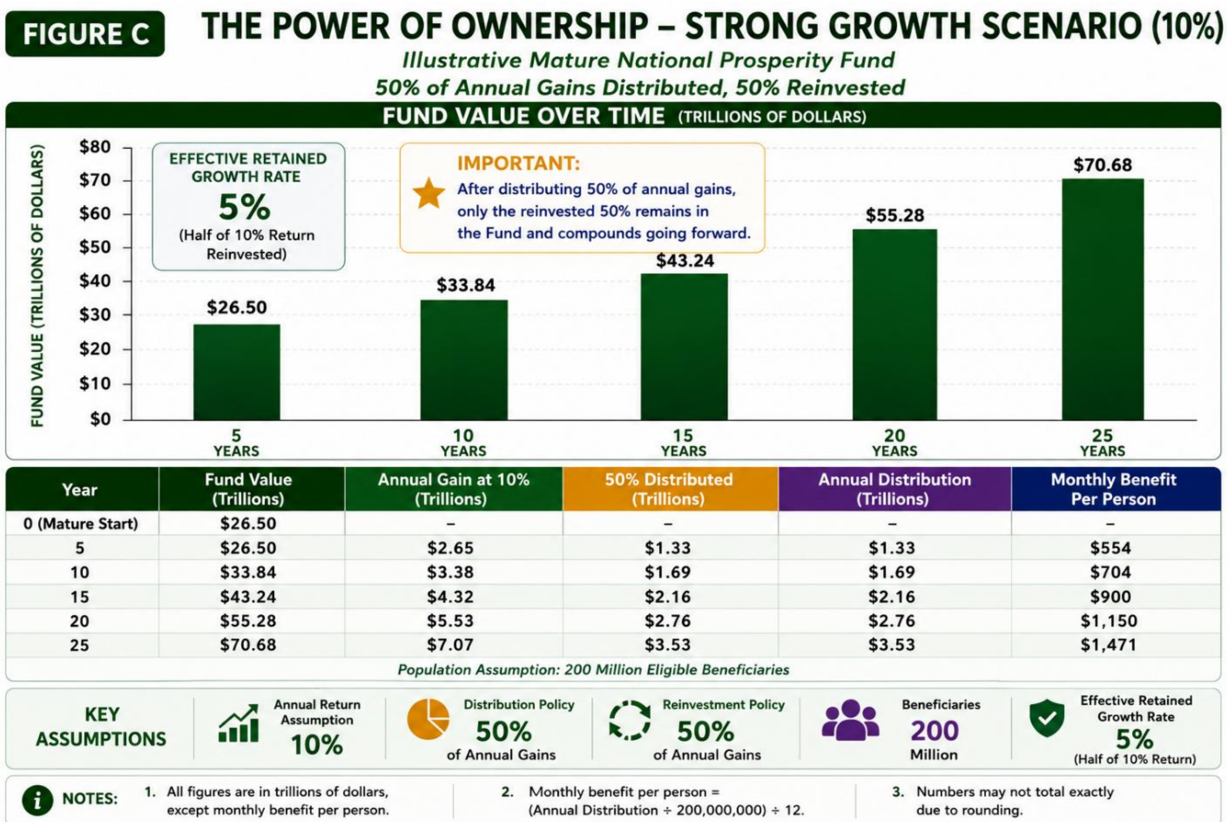
Under this scenario:

- The National Prosperity Fund enters its mature ownership phase with approximately $26.5 trillion in productive assets. The Fund grows from $26.5 trillion to approximately $58.06 trillion over twenty-five years.
- Annual distributions increase from approximately $1.06 trillion to approximately $2.32 trillion.
- Monthly distributions rise from approximately $442 to $968 per beneficiary.

This scenario illustrates how a mature National Prosperity Fund could provide substantial supplemental income while continuing to compound and grow for future generations.

7.3 Strong Growth Scenario (10%)

The strong growth scenario assumes an average annual return of 10%, broadly consistent with the long-term historical performance of the U.S. equity market.



Year	Fund Value (Trillions)	Annual Gain at 10% (Trillions)	50% Distributed (Trillions)	Annual Distribution (Trillions)	Monthly Benefit Per Person
0 (Mature Start)	$26.50	–	–	–	–
5	$26.50	$2.65	$1.33	$1.33	$554
10	$33.84	$3.38	$1.69	$1.69	$704
15	$43.24	$4.32	$2.16	$2.16	$900
20	$55.28	$5.53	$2.76	$2.76	$1,150
25	$70.68	$7.07	$3.53	$3.53	$1,471

Population Assumption: 200 Million Eligible Beneficiaries

Figure C. The Power of Ownership – Strong Growth Scenario (10%).

Under this scenario:

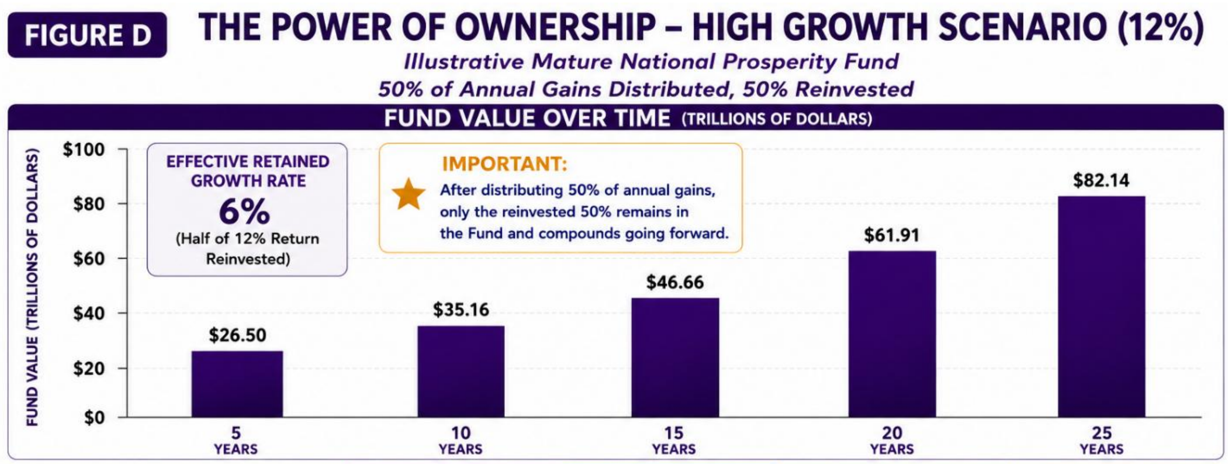
- The National Prosperity Fund enters its mature ownership phase with approximately $26.5 trillion in productive assets. The Fund grows from $26.5 trillion to approximately $70.68 trillion over twenty-five years.

- Annual distributions increase from approximately $1.33 trillion to approximately $3.53 trillion.
- Monthly distributions increase from approximately $554 to $1,471 per beneficiary.

This scenario demonstrates the powerful effects of compounding when ownership of productive assets is preserved and allowed to grow over long periods of time.

7.4 High Growth Scenario (12%)

The high growth scenario assumes an average annual return of 12%, representing an optimistic but historically achievable outcome during periods of exceptional economic expansion and technological innovation.



Year	Fund Value (Trillions)	Annual Gain at 12% (Trillions)	50% Distributed (Trillions)	Annual Distribution (Trillions)	Monthly Benefit Per Person
0 (Mature Start)	$26.50	–	–	–	–
5	$26.50	$3.18	$1.59	$1.59	$663
10	$35.16	$3.52	$1.76	$1.76	$733
15	$46.66	$4.66	$2.33	$2.33	$971
20	$61.91	$6.20	$3.10	$3.10	$1,292
25	$82.14	$8.22	$4.11	$4.11	$1,713

Population Assumption: 200 Million Eligible Beneficiaries

KEY ASSUMPTIONS

- Annual Return Assumption: 12%
- Distribution Policy: 50% of Annual Gains
- Reinvestment Policy: 50% of Annual Gains
- Beneficiaries: 200 Million
- Effective Retained Growth Rate: 6% (Half of 12% Return)

NOTES:

1. All figures are in trillions of dollars, except monthly benefit per person.
2. Monthly benefit per person = (Annual Distribution ÷ 200,000,000) ÷ 12.
3. Numbers may not total exactly due to rounding.

Figure D. The Power of Ownership – High Growth Scenario (12%).

Under this scenario:

- The National Prosperity Fund enters its mature ownership phase with approximately $26.5 trillion in productive assets. The Fund grows from $26.5 trillion to approximately $82.14 trillion over twenty-five years.
- Annual distributions increase from approximately $1.59 trillion to approximately $4.11 trillion.

- Monthly distributions increase from approximately $663 to approximately $1,713 per beneficiary.

While this scenario represents the upper end of the modeling range, it demonstrates the extraordinary long-term potential of broad-based ownership participation in productive assets.

7.5 Illustrative Dilution and Share Price Recovery During the Allocation Transition

One of the most frequently raised questions regarding the National Prosperity Fund concerns the potential impact of annual share allocations on existing shareholders and market valuations.

Because the Plan utilizes authorized but previously unissued non-voting shares, critics often ask whether the allocation process could temporarily affect earnings per share, valuations, or share prices.

The answer is that some degree of market adjustment is possible and should be expected. However, the magnitude and duration of such effects are highly uncertain and would likely vary considerably across companies, industries, and market conditions.

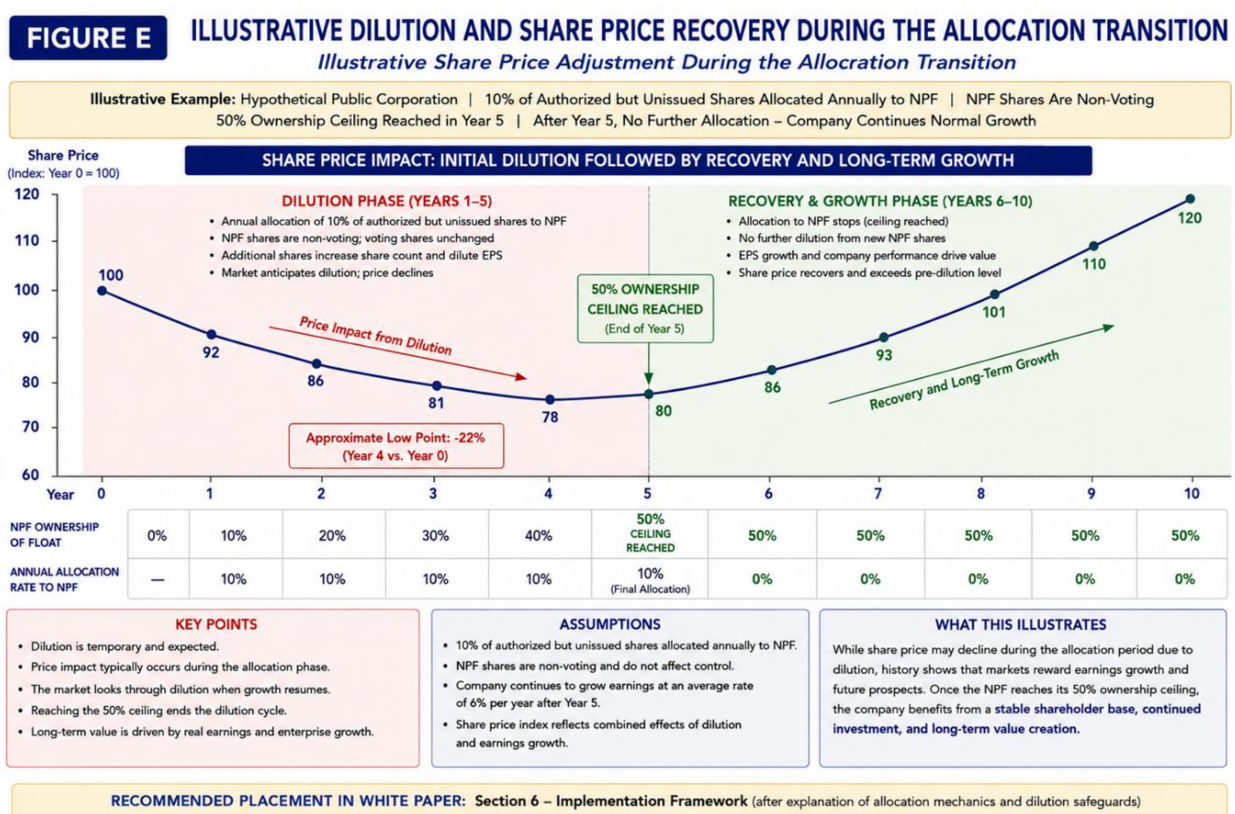


Figure E. Illustrative Dilution and Share Price Recovery During the Allocation Transition.

The illustration presents one hypothetical market-average scenario in which:

- Markets gradually price in the effects of annual share allocations;
- Temporary dilution occurs during the allocation period;
- The dilution process ends once the ownership ceiling is reached;
- Companies continue to grow, innovate, and generate earnings;
- Markets subsequently revalue companies based on long-term fundamentals.

Importantly, the illustration is not a prediction or forecast. It is merely a conceptual example intended to demonstrate several principles:

1. Dilution effects, if they occur, are likely to be gradual rather than instantaneous.
2. The allocation process is finite, ending once the ownership ceiling is reached.
3. Corporate earnings, productivity, and innovation remain the primary drivers of long-term value.
4. Temporary market adjustments do not necessarily prevent long-term growth and recovery.

Different companies, industries, and market conditions may produce substantially different outcomes. The illustration therefore should not be interpreted as representing any specific company, market index, or future performance.

7.6 Summary of Economic Modeling

The scenarios presented in this section suggest that a mature National Prosperity Fund could become one of the largest long-term investment funds in history while simultaneously providing meaningful benefits to eligible participants and preserving a substantial reinvestment component for future generations.

Across all modeled scenarios:

- The Fund continues to grow.
- Distributions increase over time.
- The principal is preserved.
- Long-term compounding remains intact.
- The benefits of ownership have become increasingly broad-based.

The purpose of these projections is not to promise specific outcomes. Rather, they illustrate a central principle of Balanced Capitalism:

Broadening ownership of productive assets may allow future economic growth to be shared more widely while preserving the institutions, incentives, and wealth-creating mechanisms of free-market capitalism.

Important Observation

The scenarios presented in this White Paper are intended to illustrate the long-term effects of broadening ownership participation under reasonable assumptions. They should not be interpreted as ceilings on future outcomes.

Periods of exceptional economic growth, technological innovation, or sustained market expansion could increase the value of the National Prosperity Fund and future beneficiary distributions beyond the scenarios illustrated herein.

Conversely, periods of economic weakness or market volatility could temporarily reduce distributions while leaving the Fund's long-term ownership framework intact.

The National Prosperity Fund is therefore designed not for any particular year or business cycle, but for the long-term accumulation and stewardship of productive assets across generations.

Section 8 — Risks, Uncertainties, and Alternative Outcomes

No economic model can predict future outcomes with certainty. The projections and illustrations presented in this White Paper are based upon assumptions that may or may not materialize. Economic conditions, technological developments, demographic trends, market behavior, and political decisions are inherently uncertain and may substantially affect the long-term performance of the National Prosperity Fund.

Accordingly, the following risks and uncertainties should be considered when evaluating the Balanced Capitalism framework.

Market Underperformance

The long-term growth assumptions utilized in this White Paper may prove overly optimistic. Public equity markets may experience prolonged periods of lower-than-expected returns due to slower economic growth, declining productivity, geopolitical instability, inflation, or other unforeseen developments.

Lower market returns would reduce the rate of growth of the National Prosperity Fund and could result in lower distributions to beneficiaries than those illustrated in the economic modeling.

Balanced Capitalism should therefore be evaluated across a range of possible economic outcomes rather than a single growth assumption.

Recessions and Financial Crises

Financial markets periodically experience recessions, bear markets, and systemic crises. The National Prosperity Fund would not be immune from these events.

During periods of economic contraction, the value of the Fund may decline, distributions could be reduced, and the pace of long-term growth may temporarily slow.

However, because the National Prosperity Fund is intended to be a permanent, long-term owner of productive assets, it may be better positioned to withstand temporary market disruptions than investors with shorter time horizons.

History suggests that periods of market decline have generally been followed by recovery and renewed economic expansion, although no such outcome can be guaranteed in the future.

Capital Flight and Foreign Listings

Some critics may argue that corporations could seek to avoid the National Prosperity Fund framework by remaining private, relocating, or pursuing foreign listings.

The extent to which such actions might occur is difficult to predict.

At the same time, the United States possesses many structural advantages, including deep capital markets, strong legal institutions, sophisticated financial infrastructure, large consumer markets, and access to investment capital.

The long-term attractiveness of U.S. markets may continue to outweigh the costs associated with the ownership framework proposed in this White Paper.

Political Risk

The National Prosperity Fund would be established by statute and therefore could be affected by future political decisions.

Changes in legislation, tax policy, governance rules, distribution policies, or eligibility requirements could alter the long-term performance of the Fund.

For this reason, the White Paper emphasizes the importance of strong governance safeguards, institutional independence, transparency, and clearly defined statutory objectives.

The long-term credibility of the Fund depends upon maintaining public confidence that it will be administered prudently and insulated from short-term political considerations.

Demographic Changes

Long-term demographic trends may significantly influence the future operation of the National Prosperity Fund.

Population growth, birth rates, immigration patterns, life expectancy, and changes in the number of eligible beneficiaries could all affect future distributions and the overall sustainability of the framework.

The assumptions used in this White Paper are illustrative and may require adjustment in response to changing demographic conditions over time.

Implementation Risks

The implementation of any large-scale economic reform involves uncertainty.

Potential implementation challenges include:

- Legislative complexity
- Administrative costs
- Regulatory coordination
- Market adaptation
- Legal challenges
- Corporate responses
- Unanticipated economic consequences

The existence of implementation risks does not necessarily undermine the viability of the framework. Rather, it highlights the importance of careful planning, phased implementation, and periodic review.

Long-Term Sensitivity Analysis

The economic modeling presented in this White Paper demonstrates that long-term outcomes are highly sensitive to assumptions regarding market growth, ownership participation, reinvestment policies, and demographic trends.

For this reason, the White Paper presents multiple scenarios rather than a single forecast.

The purpose of the modeling is not to predict the future with precision, but to illustrate the range of possible outcomes that may emerge under different assumptions.

Balanced Capitalism should therefore be viewed as an adaptive framework capable of evolving in response to changing economic conditions rather than as a rigid system dependent upon any single set of assumptions.

Why a 10% Allocation Rate?

The illustrative ten percent annual allocation rate was selected because it demonstrates how the National Prosperity Fund could reach its long-term ownership target within a reasonable transition period while avoiding abrupt changes to the capital markets.

A lower allocation rate would extend the transition period substantially and delay the economic benefits associated with broader ownership participation. A significantly higher allocation rate could create unnecessary market disruption and greater uncertainty.

The ten percent rate is intended solely for illustrative modeling purposes and should not be interpreted as a policy recommendation that cannot be modified by future legislative or economic considerations.

Section 9 — Fraud, Abuse, and Enforcement

Any program handling hundreds of billions of dollars will attract fraud.

Accordingly, the National Prosperity Fund should incorporate robust safeguards designed to protect beneficiaries, preserve public confidence, and maintain the long-term integrity of the ownership framework.

Possible safeguards include:

- A dedicated NPF Inspector General.
- An NPF Fraud and Abuse Division.
- Identity verification systems.
- Audit and compliance systems.
- Civil penalties.
- Criminal penalties for organized fraud.

Potential penalties may include:

- Repayment of improperly received benefits.
- Financial penalties.
- Temporary suspension of benefits.
- Permanent disqualification in severe cases.
- Criminal prosecution when warranted.

Prisoners

While incarcerated:

- Benefits accrue but are not distributed.

Upon release:

- Eligibility resumes.

This approach accomplishes several objectives:

- Avoids the appearance of rewarding incarceration.
- Preserves ownership rights.
- Supports successful reentry into society.

Subject to applicable law, accrued funds may be directed into a restricted reentry account during the period of incarceration.

Distribution Infrastructure

Modern distribution systems will likely require:

- Government-issued photo identification.
- Secure digital accounts.
- Multi-factor authentication.
- Fraud monitoring and detection systems.

Identity verification technologies shall be determined by statute and evolving security standards.

The long-term credibility of the National Prosperity Fund depends upon maintaining secure administrative systems, preventing fraud and abuse, and preserving public confidence that the Fund is being administered fairly and prudently.

Section 10 — Eligibility and Beneficiary Framework

Purpose of the Beneficiary Framework

The National Prosperity Fund is intended to serve as a permanent ownership framework through which eligible individuals participate in the long-term growth of the American economy.

The objective of the beneficiary framework is to broaden participation in productive assets while maintaining a system that is fair, transparent, administratively practical, and consistent with the principles of equal treatment and broad economic participation.

Eligibility requirements presented in this White Paper are illustrative and would ultimately be determined through future legislative and public policy processes.

Eligibility Requirements

Under the illustrative framework presented in this White Paper:

- United States citizens become eligible upon attaining eighteen years of age.
- Illustrative income thresholds are:
    - Single filers with annual adjusted gross incomes below $200,000.
    - Married couples filing jointly with annual adjusted gross incomes below $400,000.

These income thresholds are intended solely for illustrative purposes and may be modified by future legislation.

The purpose of the income limitations is to focus distributions on low-income, middle-income, and upper-middle-income households while preserving the long-term sustainability and broad public purpose of the Fund.

Immigration and Residency Framework

Balanced Capitalism is founded upon the principle that individuals who participate in and contribute to American society should have the opportunity to participate in its long-term economic success.

Under the illustrative framework:

- United States citizens are eligible upon reaching eighteen years of age.
- Lawful permanent residents (green card holders) may become eligible for subject to statutory requirements established by Congress.
- Certain lawful immigrants on a path toward citizenship may become eligible after satisfying residency or waiting-period requirements established by law.

The precise residency requirements, waiting periods, documentation standards, and eligibility criteria would ultimately be determined by federal statute.

The illustrative framework does not seek to establish immigration policy. Rather, it recognizes that Congress possesses the authority to determine eligibility standards consistent with the objectives of the National Prosperity Fund.

Equal Treatment and Non-Discrimination

The National Prosperity Fund is intended to operate according to principles of equal treatment and broad participation within the eligibility requirements established by law.

Subject to statutory eligibility requirements, the program shall not discriminate on the basis of:

- Political persuasion;
- Race or ethnicity;
- Gender;
- Religion;
- Education;
- Disability;
- Sexual orientation; or
- Other protected characteristics established by law.

The objective of the National Prosperity Fund is to create an ownership framework that is broadly accessible and administered fairly and impartially.

Vesting of Benefits

Benefits become fully vested upon satisfaction of statutory eligibility requirements.

Once an individual becomes eligible, participation in the Fund is intended to operate on an equal basis among all eligible beneficiaries.

Congress may establish reasonable rules governing:

- Initial eligibility;
- Temporary suspension of benefits;
- Reinstatement procedures;
- Estate and inheritance considerations;
- Fraud prevention and recovery procedures; and
- Other administrative matters necessary for the efficient operation of the Fund.

Tax Treatment of Distributions

Under the illustrative framework, distributions received from the National Prosperity Fund by eligible beneficiaries would be treated as non-taxable income for federal income tax purposes.

The White Paper treats separately:

1. the federal tax status of the National Prosperity Fund;
2. the federal tax treatment of distributions received by eligible beneficiaries.

A more detailed discussion of these issues appears in Section 6 — Implementation Framework.

The objective of the proposed tax treatment is to maximize the economic benefit received by beneficiaries while preserving the Fund's long-term ownership mission.

Administrative Considerations

The successful implementation of the National Prosperity Fund will require efficient administration, secure recordkeeping, and transparent operational procedures.

Although the scale of the Fund would be unprecedented, many of the administrative functions required to manage the Fund are comparable to functions already performed by:

- Large financial institutions;
- Pension systems;

- Sovereign wealth funds;
- Transfer agents;
- Federal benefit programs; and
- Modern digital payment networks.

Administration of the Fund would likely require:

- Beneficiary enrollment and verification;
- Maintenance of beneficiary records;
- Secure account administration;
- Distribution processing and reporting;
- Fraud prevention and enforcement;
- Financial reporting and auditing;
- Regulatory compliance; and
- Ongoing operational oversight.

Modern financial technologies, digital recordkeeping systems, and secure electronic payment platforms may significantly reduce administrative costs while improving operational efficiency and security.

Beneficiary Portal and Digital Administration

Consideration may be given to establishing secure online beneficiary portals that allow individuals to:

- Verify eligibility;
- Access account information;
- Review distributions;
- Update personal information;
- Obtain tax and reporting documents;
- Receive notices and communications; and
- Monitor the status of their participation in the Fund.

The use of secure digital technologies may improve efficiency while reducing administrative burdens and costs.

Fraud Prevention and Program Integrity

Because the National Prosperity Fund could eventually serve a large number of beneficiaries and manage substantial assets, robust fraud prevention and enforcement mechanisms would be essential.

Congress may consider establishing:

- Identity verification procedures;
- Fraud detection systems;
- Civil and criminal penalties for fraud;
- Recovery procedures for improperly obtained distributions;
- Independent auditing requirements; and
- Dedicated oversight and enforcement mechanisms.

Public confidence in the Fund will depend heavily upon the integrity and security of its administration.

Guiding Principles of Administration

The National Prosperity Fund should be administered according to three guiding principles:

1. Efficiency
2. Transparency
3. Accountability

The long-term credibility and success of the National Prosperity Fund will depend not only upon its economic performance, but also upon the integrity, fairness, security, and professionalism with which it is administered.

Ultimately, the beneficiary framework seeks to ensure that broad participation in ownership is accompanied by equally strong commitments to sound governance, equal treatment, and responsible stewardship on behalf of present and future generations.

Section 11 — Addressing Frequently Raised Questions and Concerns

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Introduction

Any proposal involving ownership, capital markets, and public policy should be subjected to rigorous scrutiny.

Balanced Capitalism welcomes that scrutiny.

The following questions represent many of the most common issues raised by economists, investors, policymakers, business leaders, and members of the public. The answers provided below are intended to explain the principles, assumptions, and objectives underlying the Plan and to address concerns that may arise regarding its implementation.

Is This Socialism?

No. Under the proposed structure, the framework is not intended to constitute socialism because it does not involve government ownership or control of the means of production.

Socialism generally involves government ownership or control of the means of production.

Balanced Capitalism does neither one.

- Businesses remain privately owned.
- Markets remain competitive.
- Prices continue to be determined through supply and demand.
- Entrepreneurs continue to create companies.
- Investors continue to allocate capital.
- Private capital continues to finance innovation and economic growth.

Balanced Capitalism broadens ownership participation within public markets while preserving the institutions and incentives of free-market capitalism. Its objective is not nationalization or government control. Its objective is broader ownership participation.

Won't This Dilute Existing Shareholders?

Any issuance of new shares creates some degree of dilution.

Balanced Capitalism recognizes this reality and seeks to minimize disruption through:

- Gradual implementation;
- Predictable annual allocations;
- A clearly defined ownership ceiling;
- Non-voting share structures; and
- Long-term market transparency.

Unlike open-ended dilution, the framework establishes a transparent and finite ownership objective.

Investors understand the rules in advance, allowing markets to price the policy accordingly.

The White Paper also presents an illustrative scenario demonstrating how temporary dilution effects may be followed by long-term recovery and continued corporate growth.

The illustration is not a prediction or guarantee but is intended to show that dilution does not necessarily imply permanent impairment of value.

What is the Corporate "Third Drawer?"

Many public corporations authorize more shares than they currently issue.

As a result, corporations often maintain a pool of authorized but previously unissued shares that may remain unused indefinitely, and, in some cases, may never be fully utilized.

The National Prosperity Fund primarily looks to this corporate "third drawer" of authorized but previously unissued shares rather than shares already owned by existing investors.

The existence of authorized but unissued shares does not mean they are economically irrelevant. The decision to issue such shares can still have implications for dilution and valuation.

The significance of the Plan is that it generally concerns the future issuance of previously unissued shares rather than the confiscation or transfer of shares already owned by investors.

We're talking about shares that generally aren't already in John Q. Public's brokerage account.

Does the National Prosperity Fund Take Shares Away from Ordinary Investors?

No.

The framework does not generally remove shares from existing investors or transfer shares out of individual brokerage accounts.

Instead, the Plan primarily utilizes authorized but previously unissued non-voting shares that corporations already possess the legal authority to issue.

In many cases, these shares were never part of the existing public float and were not shares that ordinary investors were previously able to purchase in the marketplace.

The principal issue raised by the framework is therefore one of potential dilution rather than confiscation or transfer of existing ownership.

No investor is required to surrender shares that he or she already owns.

What Are Authorized but Previously Unissued Shares?

Many public corporations authorize substantially more shares than they currently issue and are outstanding.

Corporations frequently maintain additional authorized shares to preserve flexibility for future business purposes, including:

- Stock splits;
- Acquisitions;
- Employee compensation plans;
- Capital raising activities;
- Convertible securities; and
- Other corporate transactions.

As a result, many corporations maintain substantial pools of authorized but previously unissued shares that may remain unused for long periods of time and, in some cases, may never be fully utilized.

One way to think about these shares is a corporate "third drawer" containing shares that have been authorized but not yet brought into circulation.

Public corporations will issue this authorized but previously unissued shares to the National Prosperity Fund during the allocation process.

The National Prosperity Fund primarily utilizes this category of shares rather than transferring shares away from existing investors.

The National Prosperity Fund generally does not take shares away from existing investors. It primarily utilizes authorized but previously unissued shares that were not previously part of the public float and were often never available for ordinary investors to purchase in the marketplace.

Why Should the Public Participate?

Balanced Capitalism rests upon a simple observation:

Public markets do not exist in isolation.

Entrepreneurs create companies.

Investors provide capital.

But successful public markets also depend upon:

- Courts;
- Contract enforcement;
- Securities laws;
- Stock exchanges;
- Regulatory oversight;
- Transportation systems;
- Communications networks;
- Educational institutions;

- Consumers;
- Retirement systems; and
- Public confidence.

The public helps create and sustain the environment in which public corporations operate and prosper.

The Plan argues that this broader contribution justifies limited participation in future ownership growth.

This principle does not diminish the importance of entrepreneurs or investors. Rather, it recognizes that modern capital markets are supported by an entire economic ecosystem.

Will Companies Stop Going Public?

Companies choose to enter public markets because they provide access to:

- Deep pools of investment capital;
- Liquidity;
- Price discovery;
- Institutional investment; and
- Global visibility.

Balanced Capitalism does not eliminate these advantages.

Participation in the National Prosperity Fund would become one of the conditions of accessing America's public capital markets, much as companies already accept extensive disclosure, governance, accounting, and securities regulations.

Many companies would likely continue to find the advantages of U.S. public markets compelling despite participation requirements.

Won't Companies Leave the United States?

The Plan assumes that access to U.S. capital markets remains highly valuable due to their:

- Depth;
- Liquidity;
- Visibility;
- Regulatory credibility;
- Sophisticated financial infrastructure; and
- Large consumer markets.

Companies would remain free to:

- Remain private;
- List on foreign exchanges; or
- Pursue alternative corporate structures.

The Plan does not prohibit those choices.

The question becomes whether access to U.S. public markets remains valuable despite participation requirements.

Historical experience suggests many companies would continue to view those advantages as compelling.

Doesn’t This Discourage Entrepreneurship?

No.

Entrepreneurs will continue to enjoy the same incentives that drive innovation today.

The framework preserves:

- Founder control through voting shares;
- Capital gains;
- Dividend opportunities;
- Equity appreciation; and
- Access to public investment capital.

Successful entrepreneurs would continue to build substantial personal wealth while helping expand ownership participation throughout society.

Balanced Capitalism depends upon entrepreneurial success—it does not seek to replace it.

Doesn't This Violate Property Rights?

No. Under the proposed structure, the framework is not intended to confiscate existing property or transfer ownership of existing assets.

The framework does not confiscate existing assets.

It governs future allocations of authorized but previously unissued non-voting shares as established by statute.

Existing ownership remains intact, and shareholders retain their interests subject to the rules governing participation in public markets.

Will Government Control Corporations?

No. Under the proposed structure, the National Prosperity Fund is designed to function as a passive financial steward rather than a controlling shareholder.

The framework primarily utilizes non-voting common shares.

Corporate governance, management decisions, and voting control remain with:

- Founders;
- Boards of directors; and
- Voting shareholders.

Balanced Capitalism expands economic participation without transferring operational control of private businesses to the government.

Doesn't the National Prosperity Fund Give the Public Too Much Corporate Influence?

No. Under the proposed structure, the National Prosperity Fund is designed to be a passive financial steward rather than an activist shareholder.

The Fund's purpose is to broaden ownership participation, not to direct the management or governance of public corporations.

The non-voting shares held by the Fund do not confer:

- Voting control;
- Board representation; or
- Management authority.

The National Prosperity Fund's statutory mission is to preserve and grow the Fund for the benefit of present and future beneficiaries and not to engage in corporate politics, proxy contests, or day-to-day management decisions except as necessary to protect its legal and economic interests.

The purpose of the Plan is:

Ownership without control. Participation without politicization.

How Is This Different from a Wealth Tax?

A wealth tax redistributes wealth through taxation.

Balanced Capitalism expands ownership through productive assets.

Taxes transfer wealth after it has been created.

Ownership enables broader participation in the creation of future wealth.

The distinction is between redistribution and long-term ownership.

Why Not Simply Expand Existing Social Programs?

Balanced Capitalism addresses wealth creation rather than only income redistribution.

Traditional social programs generally distribute tax revenues after wealth has already been created.

Balanced Capitalism seeks to broaden participation in the ownership of productive assets so that eligible participants can benefit from future economic growth.

Its objective is to expand ownership opportunities while preserving the strengths of free-market capitalism.

What Happens During Recessions?

Like any large, diversified investment fund, the National Prosperity Fund would experience market fluctuations.

However:

- Long investment horizons;
- Broad diversification;
- Continuous participation in productive assets;
- Professional investment management; and
- Long-term compounding

may help reduce the impact of short-term market cycles.

The objective of the National Prosperity Fund is to create long-term wealth rather than short-term market performance.

Could the National Prosperity Fund Grow Faster Than the Scenarios Illustrated in This White Paper?

Yes.

The scenarios presented in this White Paper are intended to be illustrative assumptions rather than upper limits on the future performance of the National Prosperity Fund.

The economic models assume:

- A mature Fund already exists;
- A fixed annual return;
- No extraordinary technological revolution;
- No unusually large wave of new public offerings;
- No major productivity surge; and

- No prolonged period of exceptional market performance.

History demonstrates that prolonged periods of exceptional market performance and technological innovation have occurred before and could occur again.

Future periods of exceptional economic growth could increase the value of the National Prosperity Fund beyond the scenarios illustrated in this White Paper.

The scenarios presented herein should therefore be viewed as reasonable illustrations rather than ceilings on future outcomes.

The long-run nominal return of the U.S. stock market has historically approximated:

- 6% – Conservative scenario
- 8% – Reasonable base case
- 10% – Roughly consistent with long-term historical averages
- 12%+ – Exceptional periods of market performance

However, there have also been extended periods in which market returns substantially exceeded these assumptions.

Examples include:

Period	**Approximate Annual Return**
S&P 500 (1982–1999)	~17–18%
Nasdaq (1995–1999)	30%+
S&P 500 (2009–2021)	~16%
Certain technology sectors in recent years	substantially higher.

No one should expect such returns every year. Nevertheless, history demonstrates that prolonged periods of exceptional economic growth and market performance do occur.

Potential drivers of above-average growth could include:

- Major technological breakthroughs;
- Artificial intelligence and automation;
- Robotics and advanced manufacturing;
- Biotechnology and medical innovation;
- Productivity gains;
- Expanding public capital markets;
- New public offerings;
- Population growth;
- Global expansion of American businesses; and

- Extended periods of strong economic growth.

Future periods of exceptional economic expansion could therefore increase the value of the National Prosperity Fund beyond the scenarios illustrated in this White Paper.

The scenarios presented herein should be viewed as reasonable illustrations rather than ceilings on future outcomes.

The scenarios in this White Paper are illustrative baseline assumptions, not ceilings. History demonstrates that periods of exceptional innovation and market performance have occurred before and could occur again.

Could Economic Booms Increase Future Distributions?

Yes.

Because beneficiary distributions are tied to annual gains, periods of exceptional market performance would ordinarily result in larger distributions.

Even if economic growth later returned to more normal levels, part of the gains generated during boom periods would remain permanently embedded in the Fund because a portion of those gains would have been retained and reinvested.

As a result, future distributions would often begin from a higher base than before the boom occurred.

The National Prosperity Fund does not merely participate in economic booms—it retains part of every boom and allows that prosperity to compound over generations.

How Would the National Prosperity Fund Handle Severe Market Volatility?

Like all diversified investment funds, the National Prosperity Fund would experience periods of market volatility and temporary declines in asset values.

However, because the Fund distributes annual gains rather than spending principal, market downturns would generally result in lower distributions rather than depletion of the Fund itself.

Importantly, declines in market value do not necessarily represent permanent losses.

In many cases, losses remain unrealized unless the underlying assets are sold.

As a long-term owner of productive assets, the National Prosperity Fund would ordinarily retain its investments through market cycles and continue participating in future recoveries.

Historical experience demonstrates that diversified equity markets have repeatedly recovered from severe downturns over long periods of time.

The Fund's long-term investment horizon is specifically designed to allow it to weather short-term volatility while continuing to participate in long-term economic growth.

The NPF is designed to be resilient, adaptive, and capable of participating in long-term prosperity while weathering inevitable market cycles.

Steep market swings would affect the Fund's annual distributions, but they would not threaten the Fund's existence because the Fund distributes gains, not principal.

That distinction is enormously important.

During a Market Crash

Suppose:

- Fund Value: $50 trillion
- Market falls 25%.

Fund temporarily declines to:

- $37.5 trillion.

In that year:

- There may be little or no distributable gain.
- Distributions could be reduced substantially or even temporarily suspended depending on the statutory distribution formula.

However:

> The Fund itself still owns $37.5 trillion of productive assets.
>
> The ownership remains intact.

Compare to Traditional Pension Systems:

> Many pension funds have obligations that continue regardless of market conditions.

The NPF is different.

Because distributions are tied to:

- annual gains,

rather than:

- fixed promises,

The Fund automatically adjusts during bad years.

This makes the structure surprisingly resilient.

During Market Recoveries:

Suppose:

Year 1	-25%
Year 2	+20%
Year 3	+15%

As markets recover:

- Fund value rises.
- Gains reappear.
- Distributions resume and increase.

The Fund participates fully in recovery.

The 50% Reinvestment Policy supports recover.

The reinvestment rule creates a cushion.

Every good year permanently increases the Fund's asset base.

This means that future recoveries start from a larger ownership position.

Historical Perspective

The U.S. market has experienced:

Events	Approximate Decline
1929 Crash	-86%
1973-74 Bear Market	-48%
Dot-Com Crash	-49%
Financial Crisis (2008)	-57%
Covid Crash (2020)	-34

In every case:

- markets eventually recovered,
- earnings recovered,
- and long-term investors were rewarded.

Why Diversification Matters?

The NPF would likely own:

- thousands of companies,
- multiple industries,
- dividend payers,
- growth companies,
- international earnings streams.

A single company failure would have almost no effect on the Fund.

Even an entire sector downturn would likely be manageable.

Market volatility would affect annual distributions, but because the National Prosperity Fund distributes gains rather than principal, the Fund is structurally designed to weather market cycles and participate fully in long-term recoveries.

Could a Reserve Fund Help Stabilize Distributions?

Possibly.

Congress may consider authorizing the National Prosperity Fund to establish a modest Distribution Stabilization Reserve.

During periods of exceptionally strong returns, a small portion of annual gains could be retained in the reserve.

The reserve could then be used to supplement beneficiary distributions during recessions or periods of unusually weak market performance.

The objective would not be to guarantee distributions or eliminate market risk, but rather to reduce year-to-year volatility and promote greater stability and predictability for beneficiaries.

Whether such a reserve should be adopted is ultimately a policy question that would require future legislative consideration.

How Is the National Prosperity Fund Governed?

The National Prosperity Fund would operate as an independent federally chartered nonprofit trust foundation managed separately from the federal budget.

Professional investment managers would oversee the Fund under fiduciary duties owed solely to eligible beneficiaries.

Independent audits, public reporting, transparent investment policies, and statutory governance standards would promote accountability while insulating investment decisions from day-to-day political influence.

Who Will Administer the National Prosperity Fund?

The National Prosperity Fund will be administered by the National Prosperity Trust Foundation, an independent federally chartered nonprofit trust foundation created by the Act of Congress and governed by fiduciary duties owed solely to eligible beneficiaries.

What Stops Politicians from Raiding the Fund?

The National Prosperity Fund is designed with multiple institutional safeguards intended to insulate it from ordinary political control.

These safeguards may include:

- Independent governance structures;
- Statutory asset protections;
- Fiduciary obligations;
- Independent audits;
- Public reporting requirements;
- Restrictions on non-investment expenditures; and
- Legal protections against unauthorized transfers of Fund assets.

The objective is to establish the National Prosperity Fund as a permanent public institution dedicated exclusively to serving present and future beneficiaries.

How Do You Prevent Fraud in a Program Involving Millions of Beneficiaries?

Potential safeguards may include:

1. Independent fraud investigators;
2. Internal inspector general functions;
3. Modern data analytics;
4. Interagency cooperation;
5. Privacy safeguards;
6. Civil and criminal penalties;
7. Identity verification procedures;
8. Independent audits; and
9. Secure digital recordkeeping systems.

The long-term credibility of the Fund will depend heavily upon the integrity and security of its administration.

How Large Could the National Prosperity Fund Become?

The ultimate size of the Fund depends upon numerous variables, including:

- Economic growth;
- Corporate profitability;
- Market performance;
- Future public offerings; and
- Legislative design choices.

Under the illustrative assumptions used in this White Paper, the National Prosperity Fund could hold approximately $26–30 trillion upon reaching maturity, after which the Fund would continue to grow through long-term compounding and market appreciation.

The precise outcome cannot be predicted and should not be viewed as a guarantee or forecast.

The purpose of the modeling is to illustrate the long-term potential of broader ownership participation under reasonable assumptions.

Why Isn't the National Prosperity Fund Publicly Traded?

The National Prosperity Fund is intended to be a permanent steward of productive assets, not another asset to be traded.

The Fund is designed as an independent federally chartered nonprofit trust foundation that holds productive assets on behalf of eligible beneficiaries.

Allowing ownership interests in the Fund itself to be bought and sold could introduce:

- Speculation;
- Ownership concentration;
- Conflicts of interest; and
- Short-term market pressures

that are inconsistent with the Fund's long-term public mission.

By remaining outside the public securities markets, the National Prosperity Fund preserves its independence, fiduciary purpose, and long-term investment horizon while continuing to own productive assets rather than becoming one itself.

Private financial institutions remain free to develop investment products inspired by or benchmarked against the Fund's investment philosophy.

However, the National Prosperity Fund itself is intended to remain a permanent public institution dedicated exclusively to serving its beneficiaries.

Concluding Observation

The questions addressed in this section illustrate that Balanced Capitalism is not intended to replace free-market capitalism, nationalize industry, or redistribute existing wealth.

Its purpose is more limited and more fundamental:

To broaden participation in the ownership of productive assets while preserving the institutions, incentives, and wealth-creating mechanisms that have historically made democratic capitalism successful.

Section 12 — Legal and Constitutional Questions

The purpose of this section is to identify major legal, constitutional, and economic questions that may warrant further study and public debate. These issues are introduced here at a high level and are discussed in greater detail in Appendix E.

The purpose of this section is not to provide definitive legal conclusions, but rather to identify important questions that merit careful analysis and future scholarly debate.

The issues discussed below are illustrative and should not be construed as legal advice or as definitive conclusions regarding the constitutionality of the proposal. Many questions would ultimately require judicial interpretation, legislative refinement, and additional legal scholarship.

Congressional Authority

Congress possesses broad authority to regulate interstate commerce and the national securities markets.

Public corporations, securities exchanges, and capital markets operate within an extensive federal statutory and regulatory framework.

Congress has historically exercised substantial authority in areas including:

- Securities regulation
- Corporate disclosures
- Exchange listing standards
- Investor protections
- Banking regulation
- Taxation
- Financial reporting requirements

The proposal assumes that any implementation of Balanced Capitalism would occur through federal legislation enacted pursuant to Congress's constitutional powers.

Securities Law Considerations

Implementation of a National Prosperity Fund would likely require substantial amendments to existing securities laws and regulations.

Questions for future consideration include:

- Treatment of annual share allocations.
- Registration requirements.

- Disclosure obligations.
- Exchange listing requirements.
- Anti-dilution provisions.
- Treatment of mergers and acquisitions.
- Treatment of stock splits and corporate reorganizations.
- Fiduciary obligations of corporate directors and officers.

Any legislative framework would need to address these issues in a comprehensive and transparent manner.

Corporate Law Considerations

Corporate law in the United States is principally governed by state law.

Implementation of the National Prosperity Fund could therefore raise questions regarding:

- Corporate governance.
- Share issuance authority.
- Fiduciary duties.
- Shareholder rights.
- Charter amendments.
- Treatment of non-voting shares.
- Corporate reorganizations.

Future legislation would likely require careful coordination between federal securities regulation and existing state corporate law frameworks.

Constitutional Questions

Several constitutional questions could arise depending upon the precise structure of any implementing legislation.

Potential questions for future consideration include:

- The scope of Congress's authority under the Commerce Clause.
- Due Process considerations.
- Equal Protection considerations.
- Questions involving Takings Clause jurisprudence.
- Questions involving the Contracts Clause.
- Questions involving federalism and state corporate law.

The answers to these questions would depend heavily upon the final legislative design and the specific statutory provisions enacted by Congress.

The purpose of this White Paper is not to prejudge those questions but to identify them as areas requiring additional legal analysis and scholarly debate.

Property Rights Considerations

The proposal is designed to avoid the confiscation of existing property and instead focuses on future ownership allocations involving authorized but previously unissued shares.

Nevertheless, any proposal affecting ownership structures within public markets may generate legal questions concerning property rights and shareholder interests.

Future legislation would therefore require careful drafting and robust constitutional analysis.

Comparative Legal Frameworks

Many nations have adopted legal frameworks governing sovereign wealth funds, public investment funds, public pension systems, and other forms of collective ownership.

Although the National Prosperity Fund differs from these institutions in important respects, comparative experience may provide useful guidance regarding:

- Governance structures.
- Fiduciary standards.
- Transparency requirements.
- Investment restrictions.
- Beneficiary protections.
- Institutional independence.

International experience may therefore provide valuable lessons regarding both the opportunities and challenges associated with large-scale public investment institutions.

Questions for Future Debate

The White Paper does not claim to resolve every legal issue associated with the implementation of Balanced Capitalism.

Rather, it seeks to initiate a broader discussion regarding whether ownership-based approaches may provide new ways of thinking about participation in future economic growth.

Additional legal scholarship, policy analysis, and public debate will be essential if the framework is ever considered for implementation.

The legal and constitutional questions raised by this proposal should therefore be viewed not as barriers to discussion, but as important subjects for continued research and thoughtful consideration.

Section 13 — International Applications and Global Adaptability

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Introduction

Although this White Paper focuses primarily on the United States, the principles underlying Balanced Capitalism are not uniquely American.

The central idea—that broader ownership participation can coexist with free-market capitalism—is applicable to many nations that rely upon public capital markets, private enterprise, and economic growth.

Different countries possess different legal systems, corporate structures, political traditions, and financial markets. Consequently, no single implementation model should be expected to fit every nation.

Balanced Capitalism is therefore best understood as a framework rather than a rigid blueprint.

Its core principles can be adapted to diverse economic systems while preserving local institutions and national priorities.

Universal Principles

The Balanced Capitalism framework rests upon several principles that are broadly applicable across market economies:

- Private Enterprise
- Competitive Markets
- Capital Formation
- Broad-Based Ownership
- Long-Term Wealth Building

These principles are not exclusive to any single country.

They reflect characteristics shared by many successful market economies throughout the world.

Why Other Nations May Be Interested

Many countries face similar economic challenges:

- Rising wealth concentration
- Slowing social mobility
- Growing dependence upon government transfers
- Aging populations
- Fiscal pressures
- Increasing public concern regarding economic inequality

Balanced Capitalism offers an ownership-based alternative to traditional redistribution models.

Adaptation to Different Capital Markets

Large market economies may implement ownership frameworks similar to the National Prosperity Fund model.

Emerging economies may choose lower ownership targets or longer implementation schedules.

Smaller economies may adapt to the framework through sovereign wealth funds, an independent federally chartered nonprofit trust foundation that serves as a permanent national ownership framework or national savings programs.

The underlying principle remains the same:

Broadening ownership participation without undermining market incentives.

Relationship to Existing Sovereign Wealth Funds

Many countries already operate:

- Sovereign wealth funds
- Public pension funds
- National savings funds
- Permanent funds

Balanced Capitalism differs because ownership accumulation is tied directly to participation in public-market growth.

Compatibility with Different Political Traditions

The framework can coexist with:

- Market-oriented economies
- Social democracies

- Mixed economies

It does not require ideological uniformity.

Implementation can reflect national traditions and constitutional structures.

International Competition Considerations

Capital markets routinely adapt to differing national regulations, governance systems, and legal frameworks.

Balanced Capitalism would represent another policy choice within that broader competitive environment.

Developing Nations and Future Opportunities

Developing nations may have an opportunity to incorporate broader ownership participation while their capital markets are still evolving.

This could allow future growth to be paired with broader ownership from the outset.

A Framework for Democratic Capitalism

Balanced Capitalism should not be viewed as the final stage of economic development.

Rather, it represents one possible evolution within the broader tradition of democratic capitalism.

Global Significance

As ownership of productive assets becomes increasingly important in the twenty-first century, questions regarding ownership participation are likely to become more significant.

Balanced Capitalism offers one possible answer.

Its objective is not to replace capitalism.

Its objective is to broaden participation within capitalism.

Section 14 — Conclusion and Call for National Discussion

Balanced Capitalism offers a new economic model for the twenty-first century—one that seeks to preserve free enterprise while broadening participation in the ownership of productive wealth.

A New Question for an Old System

For more than two centuries, capitalism has proven to be one of the most powerful engines of innovation, productivity, and wealth creation in human history.

The challenge confronting modern societies is not whether capitalism works.

The challenge is whether participation in the wealth created by capitalism can become broader while preserving entrepreneurial dynamism that makes economic progress possible.

This White Paper has argued that the answer is yes.

The Missing Half of the Equation

Entrepreneurs create companies.

Investors provide capital.

Both deserve recognition and reward.

Yet public corporations also depend upon legal institutions, infrastructure, financial markets, consumers, education systems, and public confidence.

Balanced Capitalism begins with the proposition that both contributions matter.

Ownership Rather Than Redistribution

A central theme of this White Paper has been the distinction between ownership and redistribution.

Balanced Capitalism asks:

> Who participates in ownership while wealth is being created?
>
> Ownership compounds.
>
> Ownership grows.
>
> Ownership generates income.
>
> Ownership creates intergenerational wealth.

The National Prosperity Fund

The National Prosperity Fund is designed as a permanent ownership institution.

Its objective is to accumulate productive assets through a gradual, rules-based process that preserves market incentives while expanding participation in economic growth.

Preserving What Works

Balanced Capitalism preserves:

- Private ownership
- Competitive markets
- Entrepreneurship
- Capital formation
- Innovation
- Consumer choice

The Plan does not replace capitalism.

It seeks to preserve its strengths while broadening participation in its success.

A Gradual and Measured Transition

Ownership targets are phased in over five years.

Corporate control remains protected.

Markets retain their essential functions.

Balanced Capitalism seeks reform through adaptation rather than disruption.

Looking Beyond the United States

The broader questions raised by this White Paper are increasingly global.

As ownership of productive assets becomes more important, societies around the world will face questions regarding participation in economic growth.

An Invitation to Debate

This White Paper does not claim to provide all the answers.

Reasonable people may disagree about implementation of details, ownership targets, governance structures, allocation rates, and economic assumptions.

Such a debate is healthy and necessary.

The purpose of this proposal is not to end discussion.

It is to begin one.

The Central Question

Ultimately, this White Paper can be distilled into a single question:

If public markets depend upon both private initiative and public foundations, should future ownership growth reflect both contributions?

Balanced Capitalism answers that question in the affirmative.

Final Reflection

Balanced Capitalism is founded upon a simple but powerful idea:

- Preserve Capitalism.
- Broaden Ownership.
- Promote Long-Term Prosperity.

The National Prosperity Fund represents one possible framework through which those objectives might be pursued.

Whether adopted in whole, in part, or not at all, the proposal seeks to contribute to an ongoing conversation about the future of democratic capitalism and the possibility of expanding participation in the ownership of productive enterprise.

Is the next stage of capitalism broader redistribution—or broader ownership?

Appendix A — Economic Modeling Assumptions

The economic modeling presented throughout this White Paper is intended solely for illustrative purposes. The figures and projections are not forecasts, guarantees, or predictions of future economic performance.

Economic models necessarily depend upon assumptions, and different assumptions may produce materially different outcomes. The assumptions used in this White Paper are intended to be transparent, reasonable, and suitable for illustrating the long-term mechanics of a National Prosperity Fund operating under the principles of Balanced Capitalism.

Baseline Market Assumptions

For illustrative modeling purposes, this White Paper assumes:

- Total U.S. public equity market capitalization of approximately $60 trillion.
- Estimated publicly traded float of approximately $52 trillion.
- Long-term National Prosperity Fund ownership ceiling of 50 percent public float.

- Illustrative long-term ownership target of approximately $26–30 trillion in productive assets.

The figures above are estimates and are intended solely to facilitate economic modeling.

Corporate Allocation Assumptions

For charting and illustrative modeling purposes, public corporations are assumed to allocate:

10 percent annually of authorized but previously unissued non-voting common shares to the National Prosperity Fund.

The ten percent annual allocation rate is used solely for illustrative purposes and should not be interpreted as a policy recommendation that cannot be modified by future legislative or economic considerations.

Under these assumptions, the National Prosperity Fund reaches its illustrative ownership ceiling in approximately five years.

Share Structure Assumptions

The White Paper assumes that shares allocated to the National Prosperity Fund would consist primarily of:

- Non-voting common shares.
- Full economic rights.
- Participation in dividends.
- Participation in capital appreciation.
- Participation in stock splits and similar corporate actions.

The objective is economic participation without altering corporate control structures.

Investment Return Assumptions

The White Paper utilizes four illustrative long-term return scenarios:

- Conservative Scenario: 6 percent
- Base Scenario: 8 percent
- Strong Growth Scenario: 10 percent
- High Growth Scenario: 12 percent

No single scenario should be interpreted as a prediction of future market performance.

The purpose of presenting multiple scenarios is to illustrate the sensitivity of long-term outcomes to differing assumptions regarding economic growth and investment returns.

Economic Modeling Formulas

The illustrative models presented in this White Paper utilize the following formulas.

Annual Investment Gain

Annual Gain = Fund Value × Assumed Annual Return

Example:

$30 trillion × 8% = $2.4 trillion annual gain.

Annual Distribution

Annual Distribution = Annual Gain × Distribution Percentage

Example:

$2.4 trillion × 50% = $1.2 trillion distributed.

Annual Reinvestment

Annual Reinvestment = Annual Gain × Reinvestment Percentage

Example:

$2.4 trillion × 50% = $1.2 trillion reinvested.

New Fund Value

New Fund Value = Beginning Fund Value + Annual Reinvestment

Example:

$30 trillion + $1.2 trillion = $31.2 trillion.

Annual Benefit Per Eligible Individual

Annual Benefit per Person = Annual Distribution ÷ Eligible Population

Example:

$1.2 trillion ÷ 200 million individuals = $6,000 annually per person.

Monthly Benefit Per Eligible Individual

Monthly Benefit per Person = Annual Distribution ÷ Eligible Population ÷ 12

Example:

$6,000 ÷ 12 = $500 per month.

Distinguishing Allocation Rates from Investment Return Assumptions

The illustrative models in this White Paper use two separate assumptions that serve different purposes.

Corporate Allocation Rate

The corporate allocation rate determines how rapidly productive assets are allocated to the National Prosperity Fund during the accumulation phase.

For illustration purposes, this White Paper assumes:

10 percent annually of authorized but previously unissued non-voting common shares are allocated to the National Prosperity Fund.

The allocation rate determines how quickly the Fund accumulates ownership interests.

Investment Return Assumptions

The investment return assumptions determine how rapidly the National Prosperity Fund grows after acquiring productive assets.

This White Paper utilizes four illustrative return scenarios:

- 6 percent annual return
- 8 percent annual return
- 10 percent annual return
- 12 percent annual return

Higher investment returns generate larger annual gains, which in turn produce larger distributions and greater long-term compounding.

Why the Models Use an Endowment Approach

The National Prosperity Fund models presented in this White Paper distribute a portion of annual gains rather than a percentage of the Fund's total value.

This approach preserves the Fund's principal and allows long-term compounding to continue.

Illustrative example:

Beginning Fund Value: $30 trillion.

Ending Fund Value after one year: $36 trillion.

Annual gain: $6 trillion.

Under the mature policy:

- 50 percent of annual gains are distributed ($3 trillion).
- 50 percent of annual gains are reinvested ($3 trillion).

New Fund Value:

$30 trillion + $3 trillion = $33 trillion.

By contrast, distributing 50 percent of the entire Fund's value would reduce the Fund to $18 trillion and substantially impair its long-term compounding capacity.

For this reason, the models in this White Paper utilize an endowment approach that distributes a portion of annual gains while preserving and growing the underlying productive assets.

Distribution and Reinvestment Assumptions

The mature National Prosperity Fund is modeled using a long-term policy of:

- 50 percent distribution of annual gains.
- 50 percent reinvestment of annual gains.

The distribution and reinvestment assumptions are intended to illustrate a balance between:

- Providing meaningful economic benefits to beneficiaries.
- Preserving long-term growth through continued compounding.

The White Paper also discusses alternative distribution policies that future policymakers may consider.

Beneficiary Assumptions

For illustrative purposes, the White Paper assumes:

- Approximately 200 million eligible beneficiaries.

This figure is intended solely for economic modeling and should not be interpreted as a recommendation regarding future eligibility standards.

Actual eligibility rules would ultimately be determined by statute.

Modeling Methodology

The illustrative models assume:

- The National Prosperity Fund reaches its ownership ceiling.
- The Fund then enters a mature ownership phase.
- Annual returns are generated through dividends, capital appreciation, and long-term economic growth.

- Annual gains are distributed and reinvested according to the applicable assumptions.
- Long-term compounding continues indefinitely.

The models are intended to demonstrate the mechanics and long-term potential of broader ownership participation rather than provide exact forecasts.

Future Economic Uncertainty

Long-term economic forecasting is uncertain.

Future outcomes may be influenced by:

- Technological innovation.
- Artificial intelligence.
- Robotics and automation.
- New energy technologies.
- Biotechnology and medical advances.
- Scientific discoveries.
- Geopolitical developments.
- Demographic changes.
- Public policy decisions.
- Economic events that cannot presently be anticipated.

Accordingly, the economic projections contained in this White Paper should be interpreted as illustrative examples rather than precise predictions.

Purpose of the Economic Models

The purpose of the modeling presented in this White Paper is to answer a simple question:

Could a permanent ownership institution, operating within a free-market capitalist framework, accumulate substantial productive assets while continuing to preserve entrepreneurship, investment incentives, and private enterprise?

The Figures presented throughout this White Paper suggest that the answer may be yes.

However, the precise magnitude of future outcomes remains uncertain and will ultimately depend upon economic conditions, legislative choices, and the future productive capacity of the American economy.

Appendix B — Illustrative Ownership Examples

Purpose

The examples contained in this appendix are hypothetical and simplified for explanatory purposes.

They are intended to illustrate how ownership allocations operate under the Balanced Capitalism framework.

Example 1 — Public Float Calculation

Assume Corporation A has:

- 100 million total shares outstanding
- Founder ownership: 50 million shares
- Public float: 50 million shares

Under the Balanced Capitalism ownership target:

NPF target ownership = 50% of public float

50 million × 50%

= 25 million shares

The ownership target applies only to public float participation and does not require the acquisition of founder-controlled voting shares.

Example 2 — Expansion of Public Float

Assume the founder later sells:

10 million shares

New public float:

50 million + 10 million

= 60 million shares

New NPF target:

60 million × 50%

= 30 million shares

As public float expands, the ownership target expands proportionally.

Example 3 — Initial Share Allocation

Assume Corporation B possesses:

- Authorized shares: 200 million
- Issued shares: 100 million
- Previously unissued authorized shares: 100 million

Under a 10 percent annual allocation:

Year 1: 10 million shares would be allocated to the National Prosperity Fund.

These shares become issued upon allocation.

No existing shareholder transfers ownership.

The allocation broadens participation in future ownership growth rather than redistributing existing ownership.

Example 4 — Founder Control Preservation

Assume:

- Founder Class B shares possess voting rights.
- NPF shares are non-voting Class C shares.

The founder maintains operational control while the NPF participates economically through ownership.

The allocation mechanism broadens participation without transferring corporate control.

Example 5 — Dividend Participation

Assume Corporation C distributes:

$1.00 per share annual dividend.

NPF ownership:

500 million shares.

Annual dividend income:

500 million × $1.00

= $500 million

Those proceeds become part of the National Prosperity Fund and may be reinvested or distributed according to statutory policy.

Example 6 — Buyback Participation

If a corporation repurchases shares, the NPF may:

- Participate proportionally;
- Decline participation; or
- Receive compensating adjustments designed to preserve ownership percentages.

Specific procedures would be established by statute and regulation.

Example 7 — Merger Scenario

If Corporation D merges with Corporation E:

The NPF participates as any other shareholder.

Ownership percentages convert according to the terms of the merger.

The objective remains for the preservation of proportional ownership participation rather than operational control.

Key Principle

Balanced Capitalism broadens ownership participation without requiring the transfer, confiscation, or nationalization of existing private assets.

The illustrative examples in this appendix are intended solely to demonstrate the mechanics of the ownership framework and should not be interpreted as legal, financial, or investment advice.

Appendix C — National Prosperity Fund Governance Framework

Purpose

The long-term success of the National Prosperity Fund (NPF) depends upon public confidence that the Fund will be managed prudently, transparently, independently, and solely in the interests of its beneficiaries.

The governance framework proposed in this White Paper seeks to ensure that the National Prosperity Fund remains a permanent steward of productive assets and is insulated from short-term political pressures and special interests.

Mission Statement

The mission of the National Prosperity Trust Foundation is to preserve and grow productive ownership assets, administer distributions to eligible beneficiaries, and steward the Foundation's assets in perpetuity for the benefit of present and future generations.

Legal Status of the National Prosperity Trust Foundation

- nonprofit trust foundation status;
- perpetual trust language;
- asset protection clause;
- political independence clause;
- Treasury limitations;
- trustee protections.

Board Structure

The National Prosperity Fund shall be governed by an independent Board of Trustees responsible for overseeing the management and administration of the Fund.

The Board should consist of individuals possessing substantial experience in:

- Finance
- Economics
- Business
- Law
- Accounting
- Public administration
- Investment management

The Board's primary duty shall be to act in the best interests of present and future beneficiaries of the Fund.

Trustee Appointments

The precise method of appointment should be determined by the statute.

Possible approaches may include:

- Presidential appointments subject to Senate confirmation.
- Bipartisan appointment mechanisms.

- Staggered terms of office.
- Professional qualification requirements.
- Restrictions on political activities and conflicts of interest.

The objective is to create a governance structure that promotes continuity, professionalism, and independence.

Independence and Removal of Trustees

The National Prosperity Fund is envisioned as an independent federally chartered nonprofit trust foundation whose trustees owe fiduciary duties solely to eligible beneficiaries. The extent to which trustees may be protected from presidential removal would ultimately depend upon the final statutory design enacted by Congress and the evolving constitutional jurisprudence governing the removal of federal officers. Accordingly, questions concerning trustee appointment, tenure, and removal are appropriate subjects for future legislative and constitutional consideration.

Fiduciary Duties

Trustees and investment managers shall owe fiduciary duties to the National Prosperity Fund and its beneficiaries.

These duties should include:

- Duty of loyalty.
- Duty of prudence.
- Duty of care.
- Duty to avoid conflicts of interest.
- Duty to preserve the long-term sustainability of the Fund.

The Fund should be managed according to long-term investment principles rather than short-term political considerations.

Political Independence

The National Prosperity Fund should remain institutionally independent from the federal budget and ordinary political processes.

The Fund should not be used:

- To finance government spending;
- To fund recurring budget deficits;
- To support political campaigns;

- To advance partisan objectives; or
- To pursue short-term political priorities.

Its sole purpose should be to preserve and grow productive assets on behalf of its beneficiaries.

Institutional Independence

The National Prosperity Trust Foundation is designed to function as an independent federally chartered nonprofit trust foundation whose trustees owe fiduciary duties solely to the Foundation and its eligible beneficiaries.

Because the Foundation serves as a passive steward of productive assets rather than an executive regulatory agency, its governance structure is intended to minimize day-to-day political influence and preserve long-term independence.

The Foundation is not intended to function as an instrumentality of ordinary executive administration, and its assets shall not constitute assets of the United States Treasury or general revenues of the United States.

Nothing herein shall be construed to exempt the Foundation from applicable law, fiduciary accountability, or judicial review in appropriate circumstances.

Independence, Fiduciary Duties, and Removal Protections

The National Prosperity Trust Foundation ("National Prosperity Fund" or "NPF") should be established an independent federally chartered nonprofit trust foundation established by Act of Congress whose mission is to hold and steward productive assets on behalf of eligible beneficiaries.

The Fund's trustees and officers shall owe fiduciary duties solely to the Fund and its eligible beneficiaries. Their duties shall include loyalty, prudence, impartiality, preservation of assets, long-term stewardship, and faithful administration of the statutory purposes of the Fund.

To protect the Fund from short-term political pressure, trustees shall serve staggered fixed terms and may be removed only for cause, including malfeasance, neglect of duty, incapacity, breach of fiduciary duty, criminal misconduct, or substantial failure to comply with statutory obligations.

No trustee or officer shall be removed, directed, or coerced for the purpose of influencing investment decisions, distribution policy, beneficiary eligibility determinations, proxy-related decisions, asset allocation, or other fiduciary functions of the Fund.

The National Prosperity Fund shall not be used as a political spending vehicle, budgetary reserve, executive policy instrument, or source of discretionary federal appropriations.

The assets of the Fund shall be held in trust for eligible beneficiaries and shall not be treated as general assets of the United States Treasury.

Congress should provide procedures for notice, stated grounds for removal, and judicial review of any removal of a trustee or senior officer, consistent with applicable constitutional requirements.

Nothing in this provision shall be construed to limit lawful congressional oversight, independent audit authority, fiduciary enforcement, or judicial review.

Constitutional Caveat

Because constitutional doctrine governing removal of federal officers may evolve, the degree of permissible removal of protection will depend upon the final statutory design enacted by Congress and future judicial interpretation. The Fund should therefore be structured to minimize executive branch control by emphasizing its fiduciary trust character, passive ownership role, non-regulatory function, beneficiary purpose, and independence from ordinary political administration.

Office of Inspector General and Fraud Prevention

The National Prosperity Trust Foundation could establish two divisions.

Office of Inspector General (OIG)

Responsible for:

- audits;
- investigations;
- ethics compliance;
- internal controls;
- whistleblower protection;
- fraud prevention.

Fraud Investigation Division

Responsible for:

- beneficiary fraud;
- identity theft;
- payment fraud;
- cybercrime;
- organized fraud schemes;
- abuse of Foundation programs.

Data Analytics and Compliance Unit

Responsible for:

- fraud detection algorithms;
- suspicious activity monitoring;
- verification systems;
- Risk management.

Information Sharing

The Foundation should absolutely be permitted to cooperate with:

- IRS;
- Treasury;
- Department of Justice;
- FBI;
- state agencies;
- law enforcement.

However, the relationship should be:

cooperative but independent.

Fraud Prevention and Enforcement

The National Prosperity Trust Foundation shall maintain an independent Office of Inspector General and Fraud Investigation Division responsible for protecting the assets of the Foundation and preserving the integrity of beneficiary distributions.

The Foundation may investigate fraud, abuse, identity theft, cybercrime, and other unlawful activities affecting the Foundation or its beneficiaries.

The Foundation may share information and cooperate with the Internal Revenue Service, the United States Department of the Treasury, the Department of Justice, and other appropriate governmental authorities pursuant to applicable law, privacy protections, and information-sharing agreements.

Nothing herein shall be construed to grant any federal department or agency supervisory authority over the governance, investments, or fiduciary decisions of the National Prosperity Trust Foundation.

Treasury and IRS should provide administrative support only.

The National Prosperity Trust Foundation and the Internal Revenue Service may coordinate pursuant to federal statute to verify beneficiary eligibility and facilitate timely distributions while maintaining appropriate privacy protections and safeguards.

The Internal Revenue Service would not exercise authority over the governance, investments, asset management, or fiduciary decisions of the Foundation.

Professional Investment Management

Investment decisions should be made by qualified investment professionals operating under clearly established fiduciary standards.

The Fund may utilize:

- Internal investment management;
- External investment managers; or
- A combination of both.

Compensation structures should promote long-term performance and prudent risk management.

Investment Principles

The National Prosperity Fund should maintain a diversified investment strategy designed to preserve and grow wealth over long periods of time.

Investment policies may include:

- Public equities;
- Fixed income securities;
- Infrastructure investments;
- Real assets;
- Alternative investments; and
- Other investments authorized by statute.

Investment decisions should emphasize:

- Diversification;
- Risk management;
- Long-term value creation; and
- Preservation of capital.

Transparency and Reporting Requirements

Public confidence requires transparency and accountability.

The National Prosperity Fund should therefore provide:

- Annual reports;
- Periodic financial statements;
- Independent audits;
- Public disclosure of investment performance;
- Disclosure of management fees and expenses; and
- Reporting regarding governance and risk management practices.

Transparency is essential to maintaining a nonprofit trust foundation in the Fund.

Conflict-of-Interest Standards

Trustees, officers, and investment managers should be subject to strict conflict-of-interest rules.

Such rules may include:

- Financial disclosure requirements;
- Restrictions on self-dealing;
- Restrictions on related-party transactions;
- Ethics requirements; and
- Recusal procedures where appropriate.

The integrity of the Fund depends upon public confidence that decisions are being made solely in the interests of beneficiaries.

Statutory Protections

Future legislation may consider additional safeguards, including:

- Restrictions on amendments to the Fund's governing statute;
- Supermajority voting requirements for certain actions;
- Restrictions on asset withdrawals;
- Independent oversight mechanisms; and
- Judicial review provisions.

Such protections may help preserve the Fund's long-term mission and institutional independence.

Relationship to Government

The National Prosperity Fund is intended to be a public institution, but it is not intended to function as an operating agency of government.

The Fund should operate as an independent federally chartered nonprofit trust foundation with a clearly defined fiduciary mission and statutory responsibilities.

The purpose of this structure is to combine public accountability with professional, long-term investment management.

Guiding Governance Principles

The governance framework proposed in this White Paper is built upon five guiding principles:

- Independence
- Professionalism
- Transparency
- Accountability
- Long-Term Stewardship

The long-term credibility and success of the National Prosperity Fund will depend not only upon its economic performance, but also upon public confidence that it is being managed fairly, prudently, and independently.

Key Principle

The National Prosperity Fund is intended to function as a permanent steward of productive assets on behalf of its beneficiaries.

Its mission is not political control, redistribution, or short-term economic management.

Its mission is long-term ownership, prudent stewardship, and the preservation and growth of productive assets for present and future generations.

Appendix D — Economic Modeling Assumptions and Interpretation

Purpose

The economic models presented in this White Paper are intended solely for illustrative purposes. They are not forecasts, guarantees, investment advice, or predictions of future market performance.

Their purpose is to demonstrate how a permanent ownership institution may evolve under a range of reasonable assumptions regarding ownership participation, investment returns, reinvestment policies, and long-term economic growth.

Core Modeling Assumptions

All scenarios presented in this White Paper assume:

- A mature National Prosperity Fund valued initially at approximately $26.5 trillion;
- Approximately 200 million eligible beneficiaries;
- A 50 percent distribution policy;
- A 50 percent reinvestment policy;
- Long-term compounding over multiple decades; and
- Illustrative annual return scenarios of 6 percent, 8 percent, 10 percent, and 12 percent.

Interpretation

Economic models cannot predict the future with certainty.

Future outcomes will depend upon economic conditions, technological innovation, public policy decisions, demographic trends, and the future productive capacity of the American economy.

The models presented in this White Paper should therefore be viewed as illustrative tools designed to help readers evaluate the potential long-term implications of broader ownership participation.

Key Principle

The economic models presented throughout this White Paper seek to answer a simple question:

Could a permanent ownership institution operating within a free-market capitalist framework generate substantial long-term ownership participation while preserving entrepreneurship, private enterprise, and market incentives?

The figures presented in this White Paper suggest that such outcomes may be possible under certain assumptions while recognizing that actual future results can never be known with certainty.

Appendix E — Legal and Constitutional Analysis

Purpose

The purpose of this appendix is to identify and briefly examine several of the principal legal and constitutional questions that could arise if Congress were to consider implementing the National Prosperity Fund and the broader ownership framework proposed in this White Paper.

This appendix is not intended to provide definitive legal conclusions or legal advice. Rather, it seeks to identify areas that warrant further legal scholarship, policy analysis, and public debate.

Foundation Structure and Constitutional Independence

Discuss:

- why Congress chose a nonprofit trust foundation;
- fiduciary duties;
- beneficiary ownership;
- independence from executive control;
- insulation from political appropriation;
- constitutional uncertainties.

Federal Authority

The United States Congress possesses broad authority to regulate interstate commerce and the nation's securities markets.

Public corporations and securities exchanges already operate within an extensive framework of federal laws and regulations, including:

- Securities registration requirements
- Disclosure obligations
- Exchange listing standards
- Accounting requirements
- Investor protection statutes
- Banking and financial regulations
- Tax laws affecting corporations and investors

The National Prosperity Fund would necessarily occur through federal legislation enacted pursuant to Congress's constitutional authority.

The precise scope and exercise of that authority would ultimately depend upon the final legislative design.

The selection of a nonprofit trust foundation structure reflects Congress's intent to create a permanent ownership institution that is insulated, to the greatest extent constitutionally permissible, from short-term political pressures and ordinary executive administration.

Existing Ownership Interests

The National Prosperity Fund framework generally concerns the future issuance of authorized but previously unissued shares.

The framework does not generally involve the confiscation of existing shares or the compelled transfer of ownership of interests from current shareholders.

This distinction may have important implications when evaluating questions relating to property rights, corporate law, and constitutional considerations.

Commerce Clause Considerations

Article I, Section 8 of the United States Constitution grants Congress the authority to regulate interstate commerce.

Modern securities markets and publicly traded corporations are deeply intertwined with interstate and international commerce.

Because public corporations and securities markets already operate under extensive federal regulation, proponents may argue that Congress possesses broad authority to establish additional conditions governing participation in public markets.

Critics, however, may raise questions concerning the limits of federal authority and the relationship between federal regulation and state corporate law.

These issues would likely become important subjects of legal analysis and judicial interpretation.

Takings Clause Considerations

The Fifth Amendment prohibits the taking of private property for public use without just compensation.

The framework proposed in this White Paper is designed to avoid the confiscation or transfer of existing private property.

Instead, it focuses upon future allocations involving authorized but previously unissued shares.

Nevertheless, any proposal affecting ownership structures may generate legal questions regarding:

- Property interests;
- Shareholder expectations;
- Corporate rights; and
- Constitutional limitations.

The answers to such questions would depend heavily upon the specific design of any implementing legislation and the evolving interpretation of constitutional jurisprudence.

Due Process Considerations

Future legislation may also raise questions concerning procedural and substantive due process.

Potential issues could include:

- Treatment of corporations;
- Treatment of shareholders;
- Administrative procedures;
- Eligibility determinations;
- Enforcement mechanisms; and
- Statutory implementation processes.

Any future legislation would need to provide clear rules, transparent procedures, and appropriate safeguards.

Equal Protection Considerations

Eligibility standards for participation in the National Prosperity Fund may raise questions concerning equal protection principles.

Potential issues could include:

- Age requirements;
- Residency requirements;
- Immigration classifications;
- Income limitations; and
- Beneficiary eligibility standards.

The constitutionality of any such provisions would ultimately depend upon the final legislative design and the applicable standards of judicial review.

Contracts Clause and Corporate Charter Considerations

Questions may also arise regarding:

- Existing corporate charters;
- Shareholder agreements;
- Corporate governance arrangements; and
- Contractual expectations.

The interaction between federal legislation and existing corporate structures would likely require careful statutory drafting and significant legal analysis.

State Corporate Law Considerations

Corporate governance in the United States is primarily governed by state law.

Implementation of the National Prosperity Fund could therefore require careful coordination between:

- Federal securities regulation; and
- Existing state corporate law frameworks.

Questions for future consideration may include:

- Share issuance authority;
- Non-voting share structures;
- Fiduciary duties;
- Charter amendments;

- Mergers and acquisitions; and
- Shareholder rights.

The relationship between federal authority and state corporate law would likely become an important area of future legal scholarship.

Securities Law Considerations

Implementation of the National Prosperity Fund may require substantial amendments to existing securities laws and regulations.

Potential issues include:

- Registration requirements;
- Disclosure obligations;
- Exchange listing standards;
- Treatment of annual allocations;
- Reporting requirements;
- Anti-dilution provisions;
- Corporate reorganizations; and
- Treatment of mergers and acquisitions.

Future legislation would need to address these matters in a comprehensive and transparent manner.

Comparative Legal Frameworks

Many nations and jurisdictions have established:

- Sovereign wealth funds;
- Public investment funds;
- Public pension systems;
- Large nonprofit foundations and perpetual charitable trusts; and
- Other forms of collective ownership institutions.

Although the National Prosperity Fund differs from these institutions in important respects, comparative experience may provide useful guidance regarding:

- Governance structures;
- Nonprofit structures;
- Fiduciary standards;
- Transparency requirements;

- Investment restrictions;
- Beneficiary protections; and
- Long-term stewardship of substantial asset pools.

Examples such as sovereign wealth funds, public pension systems, and large nonprofit foundations—including the Ford Foundation and the J. Paul Getty Trust—demonstrate that substantial pools of assets can be professionally managed over long periods pursuant to defined fiduciary missions and governance structures.

International and comparative experience may therefore offer valuable lessons regarding both the opportunities and challenges associated with large-scale ownership and investment institutions.

Questions for Future Debate

The legal and constitutional issues identified in this appendix should not be viewed as barriers to discussion.

Rather, they represent important areas for continued:

- Legal scholarship;
- Economic analysis;
- Legislative study; and
- Public debate.

Balanced Capitalism is intended to encourage thoughtful discussion regarding ownership-based approaches to economic participation.

Any serious consideration of the proposal would necessarily involve extensive legal analysis, legislative refinement, and judicial interpretation.

Key Principle

The purpose of this appendix is not to declare the proposal constitutional or unconstitutional.

Its purpose is to acknowledge that important legal questions exist and to encourage rigorous examination of those questions.

The White Paper therefore invites future scholars, policymakers, legal experts, economists, and members of the public to participate in that discussion.

Appendix F — Areas for Future Study

Balanced Capitalism is intended as a long-term ownership framework rather than a fixed or immutable policy blueprint.

As with any significant public policy proposal, continued research, economic modeling, legal analysis, and public discussion would strengthen future legislative development.

Illustrative areas for additional study include:

Economic Modeling

- Alternative allocation rates
- Alternative transition periods
- Long-term Fund growth projections
- Distribution policy optimization
- Sensitivity analyses under varying market conditions

Corporate Finance

- Effects on initial public offerings
- Capital formation
- Cost of capital
- Corporate valuation
- Dividend and buyback behavior

Governance

- Trustee appointment structures
- Fiduciary standards
- Independent oversight mechanisms
- Transparency requirements
- Best practices from comparable public independent federally chartered nonprofit trust foundation that serves as a permanent national ownership framework.

Legal and Constitutional Analysis

- Federal statutory authority
- Securities law implementation
- Corporate law considerations
- Constitutional analysis
- International legal comparisons

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5. International Applications

Although this White Paper focuses on the United States, the underlying ownership principles may be adaptable to other market economies.

Future study may examine implementation under different legal systems, capital markets, and economic institutions.

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6. Macroeconomic Effects

Additional research may examine potential long-term effects on:

- Wealth distribution
- Household savings
- Capital investment
- Economic growth
- Entrepreneurship
- Labor markets
- Financial stability

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7. Public Policy Evaluation

Future legislative development would benefit from continued collaboration among economists, legal scholars, policymakers, business leaders, institutional investors, and members of the public.

Balanced Capitalism is intended to contribute to an ongoing national conversation about how free-market capitalism can continue to evolve while preserving its core strengths and expanding opportunities for broader ownership participation.