THE JBBA

PEER Reviewed RESEARCH

OPEN ACCESS
ISSN Online: 2516-3957
ISSN Print: 2516-3949
https://doi.org/10.31585/xxxxxxxxx

Redesigning Economic Participation: The SpendRight Philosophy and the CXP Model of Value Return

AUTHOR: BEN ZHANG
WEBSITE: consumerx.org

Received: date month xxxx **Accepted**: date month xxxx **Published**: date month xxxx

Abstract

This position paper proposes a structural redesign of economic participation by recognizing consumption not merely as an economic activity, but as a fundamental civic right. We introduce SpendRight as a philosophical and institutional framework that reframes consumer spending as a form of participatory agency—capable of influencing value distribution, market ethics, and enterprise behavior.

To operationalize this vision, we present the Consumer X Power (CXP) model: a decentralized, blockchain-based protocol that returns a share of corporate value directly to consumers based on their spending behavior. Unlike top-down welfare schemes or speculative Web3 incentives, CXP embeds tokenized value return, on-chain governance, and automated accountability into the architecture of commerce itself.

More than a redistributive mechanism, CXP creates the structural soil for ethical enterprises to grow—by transforming consumer loyalty into a source of capital and integrating democratic governance into value flows. This model challenges extractive platform capitalism and offers a regenerative alternative aligned with transparency, cooperation, and shared prosperity.

Drawing from institutional economics, platform cooperativism, and decentralized autonomous organizations (DAOs), we argue that reclaiming consumption as a civic right is not only ethically urgent but technically feasible—and essential for building inclusive, participatory, and future-resilient economic systems.

Keywords: *Economic participation, Consumer rights, SpendRight, Value return, Blockchain governance, Tokenized incentives, Ethical enterprise, Decentralized commerce, Civic economy, Platform cooperativism*

JEL Classifications: *D63, O35, P14, Z13*

1. The Forgotten Right

Modern societies uphold a set of fundamental human rights—life, liberty, dignity, and political participation. These rights form the foundation of democratic legitimacy. And yet, one form of daily civic participation has been consistently overlooked: the right to consume with agency, dignity, and systemic influence.

Consumption is not just an economic activity. It is the primary means by which individuals access life essentials—food, shelter, healthcare, education【1】. It is also the engine that sustains corporate profit and market growth. Every transaction is a vote; every purchase reshapes the market. But unlike voting or speech, consumption is not recognized as a civic right. It remains structurally invisible, treated as a private choice rather than a public force.

This absence has consequences.

Consumers today generate immense value—but receive no formal claim to the power, profits, or governance of the systems they sustain. Markets depend on them, but do not represent them. As a result, the economic order often rewards practices that extract value from people without returning it. Ethical enterprises struggle to survive, not due to lack of moral vision, but because consumers lack the institutional tools to support them meaningfully【32】.

SpendRight is a response to this asymmetry.

It asserts that consumption—like suffrage—is a form of participation that deserves legal, economic, and technological recognition. It argues that individuals should not only have the freedom to choose what they buy, but also the right to shape what kind of world their consumption builds.

This argument is grounded in a broader philosophical tradition. Amartya Sen's capability approach emphasizes that well-being depends not just on outcomes, but on real freedoms to lead a life one values【6】. Martha Nussbaum extends this to include full participation in the economic and political life of society【2】. Hannah Arendt reminds us that the human world gains meaning only when organized through plurality—when individuals act as co-creators of shared structures【34】.

If this is true in politics, it must also be true in economics.

Markets, like governments, derive legitimacy not from efficiency alone, but from inclusion and accountability. Consumption is already a central form of public influence—but it is not treated as such. This misrecognition leads to moral disempowerment, economic exclusion, and the erosion of democratic voice.

By framing consumption as a civic right, SpendRight seeks to realign power with contribution. It proposes a future where consumers are not passive endpoints of extraction, but active stakeholders in the systems they sustain. A future where spending decisions are structurally linked to ownership, voice, and value return.

This is not a utopian vision. It is a long-overdue correction to a blind spot in modern human rights—and a necessary step toward economic dignity in the age of algorithmic capital and structural inequality.

2. The Structural Dispossession of Consumers

Contemporary economic systems are structurally designed to privilege capital—shareholders, producers, and platforms—while rendering consumers economically invisible. Legal frameworks enshrine the rights of investors and labor, but nowhere is the consumer acknowledged as a stakeholder in value creation. This omission is systemic, not accidental.

Markets operate under a fiction of fairness. They presume that all actors—corporations and individuals alike—engage with comparable agency. But while corporations enjoy legal personhood, lobbying power, and profit protection, consumers are reduced to revenue streams, behavioral data, and ad targets. Platforms monetize attention. Brands capitalize on loyalty. Consumers sustain the system—but receive none of its surplus.

This asymmetry is not a market failure—it is a systemic design. Capital earns returns. Labor earns wages. But consumption—

though it enables both — earns nothing. This violates any coherent notion of economic justice. An inclusive democracy cannot ignore its most numerous contributors.

failure of incentives. Consumers are not empowered to protect the firms that align with their values — because no system enables them to do so.

Modern capitalism rests on a contradiction: consumers are the primary drivers of demand, yet they are excluded from the very systems their consumption supports. The consumer is treated as a passive endpoint — a cost, not a contributor. Yet in truth, every act of spending creates value. Consumers are co-creators of economic life.

Scholars of stakeholder theory and value co-creation affirm that value emerges from producer-consumer interaction 【25】【26】【27】. Yet under prevailing institutional logic, consumers remain uncompensated and unrecognized 【5】【7】【10】. As institutional economist Douglass North observed, "institutions are the rules of the game"—and those rules reflect entrenched power structures, not natural laws 【4】.

The result: value flows in one direction—

People → Consumption → Corporations → Capital.

Legal and financial institutions reinforce this hierarchy. Shareholder primacy dominates corporate governance. Consumers, though constituting over two-thirds of GDP in many economies, have no structural power 【5】.

What appears efficient is often legacy inertia. Consumers are excluded not because it is efficient, but because no mechanisms were ever built to include them. As North noted, institutions persist due to path dependency, not merit. If consumers lack influence, it is because they were never invited to the table.

This exclusion has profound moral and systemic consequences.

First, ethical enterprises struggle to survive. Businesses that prioritize fair wages, shared profits, or long-term sustainability are often punished by markets that reward short-term financial returns. As economist Andrei Shleifer notes, "in competitive markets, ethical behavior is often punished"—not because it is inefficient, but because it is not profitable fast enough 【32】. This is not a moral failure of individuals; it is a structural

Second, automation—despite its liberating potential—results in mass displacement rather than shared leisure. Artificial intelligence could reduce human labor burdens and allow for shorter work weeks. But in profit-maximizing economies, automation becomes a tool of elimination, not empowerment. Labor is replaced. Wages are suppressed. Productivity gains accrue to shareholders, not workers. The system turns potential freedom into exclusion—because human dignity is subordinate to return on investment.

Third, the illusion of consumer "choice" masks this dispossession. Selecting between exploitative options is not empowerment — it is manipulation. As Shoshana Zuboff describes, surveillance capitalism turns behavior into predictive products, harvested without consent or compensation 【7】. Consumers are not partners, but raw material.

This is not just an economic issue—it is a human rights issue. As the UN Guiding Principles on Business and Human Rights affirm, transparency, inclusion, and accountability are not luxuries—they are obligations 【8】.

Today's architecture treats consumption as a cost, not a contribution. But in truth, it is the heartbeat of the system. Without consumption, there is no enterprise, no innovation, no economy. To exclude consumers is to deny the rights of those who make the system possible.

It is time to name this pattern for what it is: systemic dispossession.

A just economy requires structural participation. Consumers must be elevated from passive endpoints to active stakeholders. Not as a moral gesture — but as a foundational principle of economic democracy.

3. SpendRight: Consumption as Civic and Economic Agency

SpendRight proposes a simple but transformative idea: that consumption is not merely economic behavior — it is civic power in action.

Each financial transaction is a vote — allocating resources, rewarding certain behaviors, reinforcing values, and shaping the structure of markets. Consumption is how most people participate in the economy every day. To treat it as apolitical or passive is to ignore its true role as a force of institutional shaping.

In democratic theory, citizenship is defined by participation—voting, deliberation, and holding institutions accountable. But while political participation has evolved, economic participation remains largely restricted to capital owners. Consumers — despite being the foundation of revenue, data, and demand—are left without voice.

This disconnect mirrors Martha Nussbaum's "capabilities approach," which emphasizes that full human dignity requires not just rights on paper, but real, actionable opportunities to shape one's environment【2】. In today's digitized, consumption-driven world, economic agency must include the power to influence markets through spending.

SpendRight reframes consumption as a civic act:

- To buy is to co-create.
- To spend is to signal values.
- To support is to shape the future.

This insight aligns with leading economic theorists. Freeman's stakeholder model places consumers at the center of enterprise legitimacy【25】. Porter and Kramer's theory of shared value insists that businesses thrive when they align with social outcomes【26】. Prahalad and Ramaswamy go further, showing that value is no longer created by firms alone—but by interactive ecosystems of producers and consumers【27】.

But this civic power has no structure. There are no constitutional mechanisms for consumers. No profit-sharing. No governance rights. No feedback loops that recognize spending as a form of responsibility.

Elinor Ostrom's research reminds us that enduring systems require participatory governance, transparent incentives, and mutual accountability【9】. SpendRight translates these insights into market logic — embedding civic principles into commercial behavior.

In this framework:

- Every transaction becomes a micro-vote.
- Every marketplace becomes a governance arena.
- Every buyer becomes a stakeholder — not a target.

Thomas Pogge has argued that those who sustain systems have a moral obligation to help reform them【3】. SpendRight turns that obligation into a right: the right to participate in shaping the economic systems one supports.

This is not merely theoretical. The rise of platform cooperatives, data dividends, and participatory ownership models show that real-world experiments are already underway【11】. What's missing is a unified civic vision—and institutional scaffolding.

SpendRight offers both.

It redefines the consumer from metric to member, from target to co-architect. And in doing so, it builds a bridge between economic activity and civic participation.

A true democracy cannot stop at the voting booth. It must extend into the marketplace — where everyday choices shape collective futures.

4. Toward a Consumer Bill of Rights

If consumption is a sovereign act, it must be protected by enforceable rights — not just moral ideals, but institutional guarantees. Just as political citizenship entails legal protections, economic citizenship must acknowledge the power of spending.

SpendRight proposes a new Consumer Bill of Rights focused on inclusion, ownership, and transparency. Traditional frameworks — such as the UN Guidelines for Consumer

Protection — have centered on safety and fraud prevention, assuming a passive consumer. Today ' s reality demands structures that recognize consumers as co-creators of value.

This vision draws from the moral economy tradition, as discussed by E. P. Thompson and expanded by Bollier and Helfrich, where economic legitimacy rests on reciprocity and shared governance【12】.

Key principles include:

- Right to Transparent Impact

Consumers should access information on how their spending affects labor, environment, and data usage. Zuboff warns that behavioral surveillance thrives in opacity, eroding ethical agency【7】.

Blockchain technologies offer immutable tracking of products and platform behavior, enabling transparency as a default【13】.

- Right to Value Return

Consumers generate value through loyalty, data, and network effects, and should receive proportional returns. Buterin ' s work on retroactive public goods funding proposes token-based reward systems for such contributions【14】.

- Right to Participatory Governance

Consumers should help govern the platforms they sustain. DAO models already use on-chain voting and quadratic funding to scale participation beyond traditional hierarchies【15】.

- Right to Ethical Alternatives

True choice requires infrastructure to find and support ethical businesses — via discovery platforms, certifications, and consumer unions. Platform cooperativism, as shown by Trebor Scholz, provides a viable model for this shift【16】.

These rights are not speculative. They ' re being tested in Web3, cooperatives, and impact DAOs. SpendRight connects these practices under a civic-economic framework, elevating consumers from endpoints to sovereign actors.

As Michael Sandel argues, societies must ask not only "what can be bought and sold," but "what should be"—and by whom【17】. A Consumer Bill of Rights responds with a vision where consumers influence the futures they fund.

5. Institutionalizing SpendRight: From Vision to Architecture

To move beyond philosophy, SpendRight must be supported by institutions that transform rights into routines and values into mechanisms. These systems should not only protect consumers from harm, but empower them as co-creators of value and participants in economic governance.

As Elinor Ostrom demonstrated in her work on commons governance, shared resources can be sustainably managed by communities through appropriate institutional design — not solely through state or market mechanisms【9】. SpendRight builds on this legacy by proposing a framework in which economic agency is structurally embedded in everyday consumption.

---

1. Transparent Economic Infrastructure

SpendRight economies demand radical visibility. Consumers must be able to trace how their spending generates value—who profits, how it's distributed, and what consequences result. Traditional systems obscure these flows, reinforcing asymmetry. In contrast, blockchain and distributed ledger technologies (DLTs) enable traceability, auditability, and trustless verification.

Public blockchains like Ethereum and Avalanche already function as shared ledgers that eliminate the need for centralized auditing【18】. Transparency thus becomes a technological default, not a discretionary gesture.

As De Filippi and Wright caution, code can serve as law—but without ethical and legal safeguards, it may entrench new forms of inequality【19】. Therefore, transparency must be paired with mechanisms for governance and accountability.

---

2. Tokenized Participation Models

In current systems, equity and governance rights are reserved for financial investors. Consumers — despite generating the majority of revenue—receive nothing. SpendRight reverses this logic.

Through tokenized participation, consumers can access:

- Rewards tied to purchasing behavior
- Dividend flows from brand loyalty
- Governance tokens for participatory decision-making

This model draws from mechanisms like Quadratic Voting and Retroactive Public Goods Funding, proposed by Buterin and Weyl, which reward value creation beyond capital investment 【14】.

Such approaches reflect radical market theories advocating for inclusive stakeholding — where ownership is distributed based on contribution rather than wealth【15】.

—

3. Decentralized Autonomous Organizations (DAOs)

DAOs represent a new paradigm in governance. Powered by smart contracts, they allow individuals—including consumers—to coordinate resources, enforce rules, and make collective decisions without intermediaries.

Under SpendRight, consumer DAOs could:

- Vote on brand conduct, labor rights, and ethical standards
- Allocate surplus value
- Hold enterprises accountable through on-chain proposals and governance mechanisms

This model has proven effective through initiatives like MolochDAO (grant funding), GitcoinDAO (public goods), and Kolektivo (climate resilience)【20】. These examples show how aligned communities can scale mission-driven governance.

However, as Wright and Fay note, DAOs face challenges in legal status and internal equity【21】. Thus, SpendRight advocates for hybrid structures—combining blockchain-enabled logic with principles of inclusion and legitimacy.

—

4. Ethical Enterprise Certification

Similar to Fair Trade, B Corp, or Platform Cooperative labels, SpendRight certification would require enterprises to commit to:

- Sharing value with consumers
- Adopting democratic governance
- Providing transparent reporting and verified impact

What sets it apart is on-chain verification. Rather than relying on claims, enterprises must cryptographically prove compliance. Smart contracts and public attestations reduce greenwashing and close accountability gaps.

This principle echoes emerging standards such as verifiable claims, soulbound tokens, and proof-of-participation mechanisms, as discussed in the Decentralized Society (DeSoc) framework by Weyl and Ohlhaver【22】.

—

Together, these elements form the foundation of a SpendRight Protocol — a civic-economic layer that treats consumption as legitimate agency. More than market reform, it proposes a reconfiguration of economic power: who shapes outcomes, who shares in value, and who governs the systems they sustain.

By integrating participatory governance, incentive alignment, and verifiable ethics, SpendRight outlines a post-capitalist infrastructure grounded in distributed power, shared value, and inclusive participation.

6. From Theory to Design: The CXP Model

While SpendRight provides the philosophical and normative foundation, Consumer X Power (CXP) offers a practical design: an institutional system to transform consumption into a mechanism of economic justice, stakeholder empowerment, and enterprise reform.

CXP is not a token economy for speculation — it is a regenerative architecture for aligning consumer power with enterprise behavior. It recognizes that consumers are not just demand generators, but co-creators of economic value. And yet, in current systems, that value is disproportionately captured by investors and executives, while consumers receive nothing in return.

This imbalance is not due to consumer apathy or lack of moral enterprises. The world is not short of ethical entrepreneurs. It is short of ethical giants — because the market punishes ethics without capital. Fair enterprises often struggle to attract investment, scale efficiently, or survive price competition. Without structural support, they lose to extractive firms that prioritize shareholder return over stakeholder wellbeing.

CXP aims to reverse this dynamic by creating the soil in which ethical enterprises can thrive — through incentive systems that mobilize consumer solidarity as a strategic force.

The Core Design: Consumption as Value Return

CXP proposes a closed-loop, decentralized mechanism for value circulation, in which every act of spending can yield:

- Token rewards proportional to consumption
- Profit-sharing in sovereign currency, from aligned enterprises
- Governance rights to shape enterprise behavior and value distribution

These are not symbolic gestures — they are embedded in smart contracts, enforceable on-chain, ensuring transparency and minimizing reliance on centralized intermediaries【23】.

This structure aligns incentives:

- Enterprises gain loyal customer bases, ethical differentiation, and long-term legitimacy.
- Consumers gain a stake in what they support—economically and institutionally.

Together, they form a regenerative feedback loop:

$$\text{Total Value} = \text{Initial Consumption} \times (1 + r)^n$$

(where r = effective return rate, and n = number of consumption cycles)

As long as $r > 0$, value compounds. Spending becomes not depletion, but investment.

Creating a Scalable Soil for Ethical Enterprise

CXP's innovation lies not just in value return, but in enabling systemically disadvantaged enterprises to grow:

- Moral enterprises — those who share profits, respect labor, and prioritize sustainability — often lack capital support because their models challenge the status quo.
- CXP redirects power from the capital layer to the consumption layer. It enables consumers to "fund" the businesses that reflect their values — not by donation, but by daily transactions that return value.
- Over time, consumer-driven funding becomes a viable alternative to investor dominance, allowing ethical firms to grow through aligned communities rather than venture pressure.

This design mirrors the ethos of platform cooperativism and commons governance. As Elinor Ostrom's work showed, decentralized communities can steward shared resources — so too can decentralized consumers steward shared value【9】【16】.

Governance as a Mechanism of Accountability

CXP adds a democratic layer atop the economic loop. Token holders aren't passive recipients — they are active decision-makers:

- They can vote on how profits are allocated.
- They can reward ethical behavior.
- They can shape the standards and rules that govern enterprise participation.

This is more than symbolic governance. It is a blueprint for economic democracy.

As Tapscott & Tapscott argue, blockchain enables not just decentralization of data — but decentralization of institutional legitimacy itself 【24】. CXP embodies this principle: a programmable, participatory, post-capital infrastructure, where consumer agency is encoded as civic power.

CXP turns theory into action. It transforms consumption into participation, loyalty into leverage, and ethics into scalability. It is not merely a system of token distribution — it is an institutional design to make moral enterprises competitive, by giving consumers both the tools and the reasons to support them.

In doing so, it offers a new kind of market — not one ruled by extraction, but one rooted in cooperation, contribution, and shared prosperity.

7. Enterprise Participation and Market Dynamics

No value redistribution system can function without the cooperation of enterprises. The success of Consumer X Power (CXP) depends not on corporate altruism, but on aligning profit with participation — where value-sharing becomes a source of competitive strength.

In conventional markets, companies compete through price-cutting, scale, and operational efficiency — often at the expense of labor rights, environmental sustainability, and equitable value distribution 【26】. This race to the bottom disadvantages ethical enterprises, which prioritize fair wages, long-term sustainability, or transparent governance. The system rewards extraction — not fairness — and penalizes those who refuse to exploit.

Even when such firms manage to survive, they remain structurally disadvantaged: they lack capital support, pricing flexibility, and the kind of systemic loyalty that allows for stability in competitive environments. Meanwhile, dominant firms, once they achieve market share, often reverse course — raising prices, suppressing wage growth, and reducing consumer choice 【10】. The very logic that punishes ethical behavior during competition enables monopolistic behavior after consolidation.

Despite rising consumer demand for values-driven brands, there is no institutional scaffolding to translate that preference into structural power. Ethical firms remain outgunned, not in vision, but in leverage.

CXP changes this equation.

It provides ethical enterprises with something they previously lacked: a structure of consumer-based reinforcement. Through blockchain-enforced smart contracts, companies predefine a portion of profits to be redistributed to the very people who sustain them — consumers. Unlike traditional loyalty programs, these contracts are transparent, automated, and irreversible 【20】.

This redefines consumption as co-investment. When each purchase brings both tangible returns (in tokens or fiat) and voting rights, consumers begin to choose not just by price, but by principle. In turn, companies that share value gain deeper loyalty, stronger community engagement, and a reputational edge.

From Values to Advantage

CXP transforms value alignment from a moral preference into an economic advantage:

- Consumers are incentivized to support enterprises that share profits, respect rights, and offer governance input.

- Enterprises gain recurring, motivated customers — not just buyers, but stakeholders invested in their success.

This is particularly powerful for SMEs and mission-driven firms, which often face scale disadvantages. With CXP, they can leverage community-based funding and transparent value-sharing to level the playing field.

Even minor shifts in consumer behavior — nudged by incentives — can meaningfully reshape market share. The collective power of consumer spending vastly exceeds any single investor bloc【29】.

A Simple Math: Profitability of Sharing

Many businesses fear that sharing profits erodes margins. But CXP shows it can stimulate growth, not suppress it:

If a firm shares 20% of profits (s = 0.2), it only needs a 25% increase in sales to maintain original profit margins:

x = \frac{1}{1 - s} - 1 = \frac{1}{0.8} - 1 = 0.25

If sales increase by 50%:

- New profit = (150 × 20%) – (150 × 20% × 0.2) = 24 (vs. original 20)

- → a 20% increase in net profit, while sharing value with the public.

Profit Share	Required Sales Growth	Profit if Sales +50%
10%	11.1%	+30%
20%	25%	+20%
30%	42.9%	+10%
40%	66.7%	Break-even
50%	100%	–10%

These are not abstract projections — they demonstrate that sharing can pay off when trust converts into loyalty and loyalty into growth【26】【30】.

An Emerging Norm

In an era of radical transparency, consumers are increasingly unwilling to support companies that hoard value. CXP enables a market correction: firms that share flourish; those that exploit face reputational decline. The rules of competition shift from extractive efficiency to participatory legitimacy.

As values-based consumption accelerates, the question is no longer "Can we afford to share?" but "Can we afford not to?"

CXP gives enterprises a path forward — not by rejecting profit, but by redesigning its distribution. In doing so, it empowers a new generation of moral enterprises to scale — not by sacrificing principle, but by embedding it into the system.

8. From Profit Extraction to Value Return

Unlocking the Redistributive Power of Consumption

The logic behind Consumer X Power (CXP) is not utopian — it reveals what is structurally true yet institutionally invisible: consumers generate the majority of corporate profits but are excluded from both ownership and reward【10】.

In 2024, U.S. corporations reported over $3.6 trillion in net profit【33】. That translates to $12,000 per person annually, driven largely by consumer spending, attention, and data. Yet this value flows upward — concentrated among shareholders — while consumers remain passive, unrecognized participants.

CXP proposes a rebalancing: What if even a portion of that value returned directly to those who created it — not as charity, but as a structural right?

A Systemic Opportunity, Not a Fantasy

If 25% of corporate profits were redistributed through CXP-aligned enterprises, each participating consumer could receive approximately $3,000 per year. This projection is not a short-term promise, but a signal of long-term potential — contingent on three critical shifts:

- Consumers actively choosing value-sharing enterprises
- Ethical businesses adopting smart contract-based redistribution
- A transparent infrastructure to manage participation, profit-sharing, and governance

CXP does not seek to overhaul capitalism — it strategically rewires existing flows using programmable systems and shared incentives.

Scaling with Ethics: The Growth of Moral Enterprises

Today, many ethical businesses exist — but few scale. This is not due to a lack of vision, but because the current market punishes those who prioritize labor rights, sustainability, or equitable profit. Without investor backing, these firms remain niche; without collective consumer support, they lack leverage.

CXP changes this equation.

As more consumers align spending with values — and receive direct returns — value-sharing becomes a market advantage. Enterprises that embed fairness and transparency grow faster, not slower. Moral alignment becomes a growth engine, not a liability.

In this environment, ethical firms are no longer constrained to survive on ideals alone — they are structurally empowered to thrive. And as their scale grows, so too does the pool of redistributable value.

Reshaping Market Values and Enterprise Behavior

CXP does more than transfer profits — it transforms incentives. In traditional models, efficiency is often achieved by cutting labor costs, automating jobs, or externalizing responsibility.

Under CXP, consumers — now stakeholders — gain the ability to:

- Vote on enterprise policies and labor standards
- Advocate for fairer wages, stronger worker protections, and ethical automation
- Encourage the use of AI not to replace workers, but to reduce workloads, enhance well-being, and support more humane labor conditions

This establishes a new moral architecture for markets: where success is measured not only by scale, but by shared outcomes.

Technical Feasibility: Already in Place

The tools for implementation are operational:

- Smart contracts allocate token and fiat rewards at the point of purchase
- DAOs offer consumers collective voting power on enterprise decisions
- Blockchain ensures immutable records of contribution and return
- Privacy-preserving verification maintains trust and compliance

These tools are not theoretical — they are actively used across decentralized ecosystems【19】【20】【21】.

Conclusion: Reclaiming Economic Justice Through Participation

CXP demonstrates that:

- Consumers are the engine of growth — but need mechanisms for return

- Redistribution does not require new money—only reconfigured flows

- Market justice can be systemic, transparent, and participatory

As more individuals join the network — and more enterprises commit to value-sharing — the redistributive capacity of CXP expands. What begins as an alternative becomes infrastructure. What was once invisible becomes indispensable.

CXP is not a utopia. It is a mechanism — powered by code, guided by values, and activated by choice.

9. Discussion: Implications, Comparisons, and Limitations

Consumer X Power (CXP) introduces a paradigmatic shift in economic logic — reframing consumption from a passive endpoint into an active, participatory mechanism of value co-creation. Its implications extend across income distribution, corporate structure, and civic agency. To fully assess its potential, CXP must be examined in relation to other economic models and evaluated against practical constraints.

9.1 | Comparison with Universal Basic Income (UBI)

UBI and CXP share a common goal — economic security — but diverge in structure and agency. UBI is a top-down, state-funded redistribution mechanism, often hindered by political resistance and concerns over fiscal sustainability.

CXP, by contrast, is bottom-up and transactional. It redistributes value in proportion to consumer participation without relying on taxation. This makes it more scalable, self-sustaining, and adaptable across political environments【6】.

Where UBI treats all individuals as equal recipients, CXP recognizes consumers as contributors — linking empowerment directly to participation and shared production.

9.2 | Comparison with Web3 Incentive Models

Many Web3 ecosystems reward staking, engagement, or data contribution. However, these often foster speculative behavior disconnected from real economic flows.

CXP, by contrast, anchors its incentives in essential and recurring acts: consumption. Rather than adding financial overlays atop commerce, it embeds equity and accountability within commerce itself—transforming a basic economic activity into a civic mechanism【13】.

This grounds CXP in everyday life while insulating it from volatility and speculative cycles.

9.3 | Comparison with Platform Capitalism

Conventional platforms (e.g., Amazon, Uber, Meta) extract value from users while concentrating ownership and profits within centralized corporate entities.

CXP inverts this model.

It enables distributed ownership, participatory governance, and real-time profit-sharing, turning consumers into stakeholders. Smart contracts replace opaque internal policies, enabling automatic and verifiable redistribution aligned with contribution.

Such a model rebuilds trust and restores reciprocity in digital markets increasingly characterized by asymmetrical power.

9.4 | Limitations and Implementation Challenges

Despite its promise, CXP faces several barriers to adoption:

- Enterprise Adoption Lag: Legacy corporations may resist profit-sharing due to shareholder pressure. Initial adoption may depend on ethical SMEs and mission-aligned platforms.

- Usability Barriers: Blockchain interfaces remain complex. Mass adoption requires simplified tools, accessible wallets, and user education.

- Regulatory Ambiguity: Profit-linked tokens may fall under securities laws in some jurisdictions. Legal classification and tax implications must be carefully navigated 【19】.

- Distributional Equity: Without safeguards, wealthier consumers may benefit disproportionately. Mechanisms such as progressive reward curves and impact-weighted incentives must be explored to maintain fairness 【5】.

10. Real-World Precedents: Case Studies in Ethical Economic Architecture

Although the Consumer X Power (CXP) model may appear visionary, its foundational ideas — value return, participatory governance, and ethical platform design — are already reflected in several real-world initiatives.

MolochDAO is a minimalist Decentralized Autonomous Organization that funds public goods through stake-based voting and ragequit-enabled accountability. It exemplifies CXP's vision of transparent, incentive-aligned governance without central authority. Both models demonstrate that value can be collectively directed toward shared goals through programmable coordination.

Stocksy United, a cooperative photography platform, distributes both profits and decision-making rights to its contributors. It proves that shared ownership structures are not only ethically preferable but also economically viable. Where Stocksy empowers creators, CXP empowers consumers — both as co-owners of the value they help generate.

Gitcoin leverages quadratic funding to redistribute resources based on community preference rather than capital concentration. Like CXP, it rewards participation and collective intent, turning grassroots engagement into tangible economic power. Gitcoin's mechanism for matching contributions parallels how CXP aims to reward spending as a civic act.

Fairbnb.coop reinvests booking fees into local community projects, offering a cooperative alternative to extractive platforms. It validates CXP's principle that consumption can be consciously directed to generate public value. Both models treat users not as passive customers, but as stakeholders shaping outcomes.

Together, these cases confirm that CXP is not a theoretical abstraction, but a scalable synthesis of models already proving effective across sectors. What CXP offers is the architecture to unify and extend these practices across broader consumer economies, powered by blockchain and civic design.

11. Conclusion: From Users to Stakeholders

Today's markets often punish ethical enterprises — not due to a lack of moral entrepreneurs, but because the system fails to reward them 【8】【13】【32】.

Firms that prioritize fair wages or sustainability are seen as "less competitive" under short-term, price-driven logics. As Shleifer notes, "ethical behavior is often punished" — not by malice, but by misaligned incentives 【32】.

This is not a moral failure. It is a structural failure, born from the disconnect between consumer values and economic rewards 【7】【15】.

We, as consumers, have long lacked the tools to turn our preferences into structural influence.

CXP changes this equation. By embedding ownership, profit-sharing, and governance into consumption itself, it transforms ethics from a disadvantage into an advantage — and gives consumers real leverage over market outcomes.

This paper proposes a new paradigm: consumers as co-creators, not endpoints.

Through SpendRight as philosophy and CXP as implementation, we reclaim consumption as a civic right — and create paths for value return through decentralized, programmable infrastructure.

CXP does not rely on charity or state reform. It turns existing flows of value — purchases, attention, loyalty — into shared prosperity.

This is not just a protocol. It is a new social contract:

Where value flows not upward, but outward.

Where systems reward contribution, not merely capital.

Where every consumer becomes a stakeholder.

—

In an age of rising inequality and technological exclusion, "who owns the value we create?" has become an existential question.

If we fail to act, consumers will remain voiceless, ownership will remain centralized, and democracy will grow hollow.

But if we recognize consumption as a right — and build the systems to support it—then each transaction becomes more than economic.

It becomes participation.

The architecture exists. The vision is clear.

Now, the choice belongs to us.

With every act of consumption, we shape the world.

It's time to choose differently.

Competing Interests:
None declared.

Ethical approval:
Not applicable.

Author's contribution:
The author conceptualized the framework, conducted the research, and drafted the manuscript with the assistance of computational tools. All sections were reviewed and edited by the author.

Funding:
None declared.

Acknowledgements:
This section has been removed for blind review.

References:

【1】United Nations. (1948). Universal Declaration of Human Rights, Article 25.

【2】Nussbaum, M. (2011). Creating Capabilities: The Human Development Approach. Harvard University Press.

【3】Pogge, T. (2002). World Poverty and Human Rights: Cosmopolitan Responsibilities and Reforms. Polity.

【4】North, D. C. (1990). Institutions, Institutional Change and Economic Performance. Cambridge University Press.

【5】Piketty, T. (2014). Capital in the Twenty-First Century. Harvard University Press.

【6】Sen, A. (1999). Development as Freedom. Oxford University Press.

【7】Zuboff, S. (2019). The Age of Surveillance Capitalism: The Fight for a Human Future at the New Frontier of Power. PublicAffairs.

【8】United Nations. (2011). Guiding Principles on Business and Human Rights. Office of the High Commissioner for Human Rights.

【9】Ostrom, E. (1990). Governing the Commons: The Evolution of Institutions for Collective Action. Cambridge University Press.

【10】Stiglitz, J. E. (2012). The Price of Inequality. W. W. Norton & Company.

【11】OECD. (2022). Digital Economy Outlook. Organisation for Economic Co-operation and Development.

【12】Bollier, D., & Helfrich, S. (2012). The Wealth of the Commons: A World Beyond Market and State. Levellers Press.

【13】Allen, C., et al. (2021). Blockchain Governance and the Future of Trust. MIT Press.

【14】Buterin, V., Hitzig, Z., & Weyl, E. G. (2018). A Flexible Design for Funding Public Goods. RadicalxChange.

【15】Weyl, E. G., & Posner, E. (2018). Radical Markets: Uprooting Capitalism and Democracy for a Just Society. Princeton University Press.

【16】Scholz, T. (2016). Platform Cooperativism: Challenging the Corporate Sharing Economy. Rosa Luxemburg Stiftung.

【17】Sandel, M. J. (2012). What Money Can't Buy: The Moral Limits of Markets. Farrar, Straus and Giroux.

【18】Narayanan, A., Bonneau, J., Felten, E., Miller, A., & Goldfeder, S. (2016). Bitcoin and Cryptocurrency Technologies: A Comprehensive Introduction. Princeton University Press.

【19】De Filippi, P., & Wright, A. (2018). Blockchain and the Law: The Rule of Code. Harvard University Press.

【20】Schär, F. (2021). Decentralized Finance: On Blockchain- and Smart Contract-Based Financial Markets. Federal Reserve Bank of St. Louis Review.

【21】Wright, A., & Fay, L. (2022). Decentralized Governance in Practice: A Framework for Assessing DAO Legitimacy. The DAO Research Collective.

【22】Weyl, E. G., Ohlhaver, P., & Buterin, V. (2022). Decentralized Society: Finding Web3's Soul. SSRN. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4105763

【23】Buterin, V., Hitzig, Z., & Weyl, E. G. (2019). A Flexible Design for Funding Public Goods. Gitcoin Research.

【24】Tapscott, D., & Tapscott, A. (2016). Blockchain Revolution: How the Technology Behind Bitcoin Is Changing Money, Business, and the World. Penguin.

【25】Freeman, R. E. (1984). Strategic Management: A Stakeholder Approach. Pitman.

【26】Porter, M. E., & Kramer, M. R. (2011). Creating Shared Value. Harvard Business Review.

【27】Prahalad, C. K., & Ramaswamy, V. (2004). The Future of Competition: Co-Creating Unique Value with Customers. Harvard Business School Press.

【28】Christensen, C. M., Baumann, H., Ruggles, R., & Sadtler, T. M. (2006). Disruptive Innovation for Social Change. Harvard Business Review.

【29】Gans, J. S. (2020). The Pandemic Information Gap: The Brutal Economics of COVID-19. MIT Press.

【30】Tadelis, S. (2013). Reputation and Feedback Systems in Online Platform Markets. Annual Review of Economics, 5, 293–318.

【31】Hasan, I., Kobeissi, N., & Wang, H. (2018). Corporate Social Responsibility and Firm Performance: The Role of Reputation and Customer Satisfaction. Journal of Business Ethics, 151(2), 439–457.

【32】Shleifer, A. (2004). Does Competition Destroy Ethical Behavior? American Economic Review, 94(2), 414–418. https://doi.org/10.1257/0002828041301633

【33】U.S. Bureau of Economic Analysis. Corporate Profits After Tax (without IVA and CCAdj) [CP]. Retrieved from FRED, Federal Reserve Bank of St. Louis. Available at: https://fred.stlouisfed.org/series/CP

【34】Arendt, H. (1958). The Human Condition. University of Chicago Press.

