

# The Alberta Buck - Transition Roadmap (DRAFT v0.1)

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The Alberta Prosperity Project's *Value of Freedom* proposes an Alberta Dollar backed by gold, Bitcoin and oil reserves following independence. The Alberta Buck proposal offers something more immediate and more powerful: a wealth-backed monetary instrument that requires *neither* independence *nor* government backing to begin transforming Alberta's economy – and is denominated in a diversified basket of commodities and labour rather than a single volatile asset class.

This article presents the transition roadmap: how Alberta moves from \$23 billion in annual interest extraction to a BUCK economy where citizens access liquidity from their own wealth. The transition proceeds in phases, beginning with private mortgage retirement and scaling through farm debt, business financing, and ultimately provincial bond replacement.

At each phase, we follow what ordinary Albertans – a young family, a grain farmer, a plumbing contractor, a corporate CFO – actually experience. The economics are grounded in established monetary theory: Werner's empirical proof of credit creation, Kotlikoff's structural analysis of banking fragility<sup>1</sup>, and the commodity-basket valuation stability demonstrated by 50 years of BCPI data. (PDF, Text)

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<sup>1</sup>Jackson, A. & Kotlikoff, L. (2021) Banks as Potentially Crooked Secret Keepers, *Journal of Money, Credit and Banking*, 53(7), 1593-1628; see also What Your Banker Doesn't Know: Banking Malfeasance and the Alberta Buck for application to Alberta.

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# 1 The Starting Point: Alberta's \$23 Billion Problem

Alberta's economy operates under a structural burden invisible to most participants. Every dollar circulating in the province originated as someone's debt to a bank. The mechanics are well documented by the Bank of England (2014)<sup>2</sup> and Werner (2014)<sup>3</sup>: commercial banks do not lend existing deposits but create new money by expanding their balance sheets when a loan contract is signed.

The borrower provides everything of value – the collateral, the income stream, the insurance – and the bank provides an accounting entry made possible by regulatory exemption. The result: \$23 billion annually flows from Alberta's productive economy to financial intermediaries, for the privilege of using money created costlessly from Albertans' own wealth<sup>4</sup>.

| Sector                         | Debt Outstanding    | Annual Interest | Share       |
|--------------------------------|---------------------|-----------------|-------------|
| Residential mortgages          | \$197B <sup>5</sup> | ~\$10B          | 43%         |
| Farm debt                      | \$37B <sup>6</sup>  | ~\$1.9B         | 8%          |
| Small business                 | \$40B               | ~\$3.0B         | 13%         |
| Corporate and other commercial | \$145B              | ~\$5.5B         | 24%         |
| Provincial government          | \$83B <sup>7</sup>  | ~\$3.2B         | 14%         |
| <b>Total</b>                   | <b>~\$500B</b>      | <b>~\$23B</b>   | <b>100%</b> |

The present value of \$23B per year at 4% over 30 years is approximately \$400 billion – nearly Alberta's entire GDP, transferred to creditors for the privilege of accessing liquidity backed by Albertans' own assets.

The transition to wealth-backed money does not require revolution, independence, or confrontation with federal authority. It requires building a system that is simply *better* – and letting Albertans choose to use it.

## 1.1 Comparison: The Value of Freedom's Alberta Dollar

The Alberta Prosperity Project's *Value of Freedom*<sup>8</sup> proposes a sovereign Alberta Dollar (ABD) backed by gold, Bitcoin and oil reserves, established after independence and temporarily denominated in USD during a transition period. This is a bold vision, but it carries several structural risks:

1. **Independence prerequisite:** The ABD requires full sovereignty – a multi-year political process with uncertain outcome. Alberta's families cannot wait.
2. **Single-class backing:** Gold, Bitcoin and oil are all volatile commodity assets. A currency backed by three correlated commodities inherits their combined volatility.
3. **Government-backed:** The ABD is issued by the state, creating the same moral hazard and political manipulation risks that plague all fiat currencies.

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<sup>2</sup>Money in the Modern Economy Bank of England, 2014. "When a bank makes a loan, it simultaneously creates a matching deposit in the borrower's bank account, thereby creating new money."

<sup>3</sup>How do banks create money, and why can other firms not do the same? Werner, Richard A., International Review of Financial Analysis, 2014.

<sup>4</sup>Seigniorage: A Transfer of Wealth to the Privileged, in *The Alberta Buck – Architecture*.

<sup>5</sup>CMHC Mortgage and Consumer Credit Trends, 2024. Alberta outstanding residential mortgage credit ~\$197B.

<sup>6</sup>Farm Debt Outstanding, 2020-2024, Statistics Canada Table 32-10-0051-01.

<sup>7</sup>Alberta 2025-28 Fiscal Plan, Alberta Budget 2025. Total taxpayer-supported debt ~\$82.8B.

<sup>8</sup>Value of Freedom – Draft Fiscal Plan, Alberta Prosperity Project, July 2025. "Currency Consideration and Discussion" and "Swap and Credit Lines Discussion" sections.

4. **USD transition dependency:** Temporary USD adoption exposes Alberta to Federal Reserve policy decisions and USD inflation during the critical transition period.

The Alberta Buck addresses each of these:

| Dimension           | Alberta Dollar (ABD)        | Alberta Buck (BUCK)                   |
|---------------------|-----------------------------|---------------------------------------|
| Prerequisites       | Independence + sovereignty  | Provincial property/contract law      |
| Timeline to benefit | Years after independence    | Months after prototype                |
| Backing             | Gold + BTC + Oil reserves   | All attested, insured private wealth  |
| Denomination        | Single commodity class      | Diversified commodity basket + labour |
| Issuer              | Government (political risk) | Citizens (market-driven)              |
| Supply management   | Central bank discretion     | Algorithmic PID control               |
| Legal foundation    | New sovereign framework     | Existing property + contract law      |
| Transition currency | USD (foreign dependency)    | CAD\$ → BUCK (organic, market-driven) |

The two proposals are not contradictory. If Alberta achieves independence, the BUCK provides a proven, stable monetary infrastructure for the new state. If independence does not occur, the BUCK still delivers its benefits under existing constitutional authority. The BUCK is the pragmatic path that works in *either* scenario.

The remainder of this article assumes the BUCK transition – which can begin immediately, within Confederation, under Section 92 provincial jurisdiction over property and civil rights<sup>9</sup>.

## 2 Phase 0: Foundation (Months 1-12)

*R&D, prototype, and initial pilot deployment.*

### 2.1 What Is Built

The R&D program delivers the core infrastructure:

- BUCK\_CREDIT NFT contracts for asset attestation and parametric insurance
- BUCK ERC-20 token with PID-controlled value stabilization
- Initial AMM liquidity pools: BUCK/USDT, BUCK/CADT, BUCK/ETH, BUCK/wBTC, BUCK/PAXG
- Wallet integration for standard smartphones
- Insurer API integration for residential and agricultural assets

The commodity basket defining the BUCK's value is calibrated against the Bank of Canada Commodity Price Index (BCPI) supplemented with labour cost indices, producing a unit of account that has been demonstrably more stable than the CAD\$ over 50 years.

<sup>9</sup>Constitution Act, 1867, Section 92(13): "Property and Civil Rights in the Province" is exclusively provincial jurisdiction. See also Addressing Common Objections and Alberta Buck – Legal Foundation for detailed constitutional analysis.

## 2.2 The Pilot Communities

Agricultural communities facing acute debt stress are ideal initial participants. A farming cooperative near Grande Prairie or Lethbridge, plus a small business district in one urban centre, form the initial deployment.

### The Grain Farmer – Month 8

Jake Fehr farms 2,400 acres near Beaverlodge. His operation holds \$3.2M in land, \$900K in equipment, and \$400K in stored canola. He carries \$1.8M in farm debt at 5.2%, paying \$94,000 annually in interest – more than his family’s living expenses.

Jake’s insurer attests his stored canola at 380,000 BUCKs. He receives a BUCK\_CREDIT NFT from the insurer and mints 190,000 BUCKs (50% of attested value). He immediately swaps 190,000 BUCKs for CAD\$ via the BUCK/CADT pool to pay his equipment loan installment.

Nothing changes about Jake’s daily operations. His canola is still in the bins. His insurer still covers it. But instead of borrowing \$190K at 5.2% to bridge until sale, he accessed liquidity from his own grain. Savings: \$9,880 in avoided interest this season.

When he sells the canola in April at a better price, he buys back BUCKs and redeems them, releasing his BUCK\_CREDIT. Simple. No debt incurred.

## 2.3 At the Credit Terminal

During Phase 0, BUCKs circulate primarily among pilot participants and crypto-savvy early adopters. The typical experience:

- **Gas station:** Pay in CAD\$ (debit/credit) or BTC (Lightning). BUCK not yet accepted.
- **Farm supply dealer (pilot participant):** Pay in CAD\$, BUCK, or BTC Lightning. The dealer’s POS terminal shows prices in CAD\$ with BUCK equivalent displayed.
- **Online exchanges:** BUCKs freely tradeable against USDT, CADT, ETH, wBTC, PAXG on DEX pools.

BUCK liquidity is thin. Spreads are wide. But the infrastructure works, the insurance holds, and the first participants are saving real money.

## 3 Phase 1: Private Debt Retirement (Years 1-3)

*Mortgages, farm debt, and small business financing begin shifting to wealth-backed issuance.*

### 3.1 The Economics of Mortgage Retirement

Alberta’s 580,000 mortgaged households<sup>10</sup> represent \$197 billion in debt and ~\$10 billion in annual interest. Each family refinancing through BUCKs saves the difference between their mortgage interest rate and the BUCK insurance cost (~0.5% annually for residential property).

At a 5% mortgage rate on \$380,000:

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<sup>10</sup>Number of properties with a mortgage, Statistics Canada. Alberta ~580,000 properties with outstanding mortgages.

- Mortgage: ~\$19,000/year interest in early years; \$286,433 total interest over 25 years
- BUCK: ~\$1,900/year insurance; \$47,500 total insurance over 25 years
- **Savings: \$238,933 per family over 25 years**

If even 10% of mortgaged households (58,000 families) transition in the first three years, the aggregate annual interest savings exceed \$1 billion – money that recirculates through Alberta’s local economy rather than flowing to distant bank shareholders.

### 3.2 The Adoption Curve

Adoption follows a natural S-curve, driven by the financial incentive. Early adopters are crypto-literate homeowners comfortable with digital wallets. The mass market follows once institutional infrastructure – insurer APIs, real estate lawyer integration, title office compatibility – matures.

| Year | Mortgage Adoption | Farm Adoption | Business Adoption | Annual Interest Saved |
|------|-------------------|---------------|-------------------|-----------------------|
| 1    | 2% (11,600)       | 5%            | 2%                | ~\$400M               |
| 2    | 5% (29,000)       | 10%           | 5%                | ~\$1.0B               |
| 3    | 10% (58,000)      | 20%           | 10%               | ~\$2.2B               |

These are conservative estimates. The incentive – saving \$17,000+ per year on a typical mortgage – is powerful enough to drive rapid adoption once the infrastructure is trusted.

### 3.3 What Families Experience

#### The Young Family – Year 2

Priya and Marcus Redcrow are buying their first home in Airdrie. \$505,000, with \$125,000 down. Their mortgage broker presents two options:

Option A: Conventional mortgage. \$380,000 at 4.8%. Monthly payment: \$2,167. Total cost over 25 years: \$650,000.

Option B: Alberta Buck issuance. Their home insurer attests the property at 505,000 BUCKs. They receive a BUCK\_CREDIT NFT and mint 380,000 BUCKs, swapping immediately for CAD\$ to pay the seller. Annual insurance: \$1,900. No interest. No monthly principal payments – just insurance and eventual redemption when they sell.

They choose Option B. First year savings: \$17,100. They put it into their daughter’s RESP.

At the grocery store, their debit card still works in CAD\$. At the farmer’s market, they notice a few vendors showing BUCK prices alongside CAD\$. The BUCK is starting to feel normal.

### 3.4 Farm Debt Transformation

The agricultural sector demonstrates the most dramatic transformation. Alberta’s farms carry \$37.4 billion in debt<sup>6</sup>, with interest consuming a third of farm cash income<sup>11</sup>. The cruel seasonal mismatch – harvest costs due in fall, grain revenue arriving months later – forces farmers into bridge financing at the worst possible time.

<sup>11</sup> Alberta Farm Cash Receipts, Expenses 2024, Alberta Economic Dashboard. Farm cash income ~\$5.7B; farm debt interest ~\$1.9B (~33%).

With BUCKs, farmers attest stored inventory and equipment, mint BUCKs for operational needs, and redeem when revenue arrives. No bridge loan interest. No forced sale at harvest-low prices.

### **The Equipment Dealer – Year 2**

Brandt Falkenberg runs a Case IH dealership outside Red Deer. His lot holds \$8 million in new and used equipment, financed at \$5.2M in floor plan debt costing \$312,000/year in interest.

Once equipment insurance adapts its parametric interface, Brandt attests his inventory and mints BUCKs against it. His floor plan debt is retired over 18 months as each unit sells. Annual savings: \$290,000 after insurance costs. He hires two more technicians.

His customers increasingly want to buy equipment with BUCKs minted against their farm assets. No bank approval process. No credit check beyond the insurer's attestation. Sale closed in days, not weeks.

## **3.5 At the Credit Terminal – Year 3**

Acceptance has broadened significantly:

- **Gas station:** CAD\$ (debit/credit), BTC (Lightning). Some stations show BUCK prices.
- **Grocery chain:** CAD\$ only. Corporate head office is "evaluating" BUCK acceptance.
- **Farm supply:** CAD\$, BUCK, BTC Lightning. 10% of transactions in BUCKs.
- **Local restaurant:** CAD\$, BUCK. The owner minted BUCKs against her building; she's happy to receive them.
- **Online:** BUCK/CADT spreads have narrowed to  $< 0.5\%$ . DeFi lending in BUCKs emerging.
- **Rent:** Some landlords accept BUCK. Tenants who minted BUCKs against vehicles or savings find this convenient.

The dual-currency economy is emerging organically. No mandate. No legal tender decree. Just a better instrument winning on merit.

## **4 Phase 2: The \$10 Billion Threshold (Years 3-5)**

*BUCK economy reaches critical mass. Provincial bond retirement begins.*

### **4.1 Why \$10 Billion Matters**

At \$10 billion in circulating BUCKs, several qualitative transitions occur:

1. **Liquidity depth:** AMM pools are deep enough for institutional-scale transactions without significant slippage.
2. **Price discovery:** BUCK commodity basket pricing is robust, with multiple independent oracles and active market-maker competition.

3. **Insurer maturity:** Parametric insurance products cover residential, agricultural, commercial and industrial assets.
4. **Network effects:** Enough merchants accept BUCKs that holders can meet a substantial portion of daily spending needs without converting to CAD\$.

At this threshold, the Province of Alberta can begin its own transition.

## 4.2 Provincial Bond Retirement

Alberta carries \$83 billion in bond debt<sup>7</sup>, paying \$3.2 billion annually in interest<sup>12</sup>. This is money extracted from Albertans' taxes and transferred to bondholders – the same structural extraction that BUCKs eliminate for private citizens.

The province holds massive assets: the Heritage Savings Trust Fund (\$30B)<sup>13</sup>, Crown lands (\$100B+), resource royalty streams (\$21B/year)<sup>14</sup>, and provincial infrastructure worth hundreds of billions. Under wealth-backed issuance, the province can:

1. Attest provincial assets through qualified insurers
2. Mint BUCKs against attested value (at conservative ratios)
3. Swap BUCKs for CAD\$ on deep AMM pools
4. Use CAD\$ proceeds to retire maturing bonds
5. *Not re-issue* the retired debt

Each bond retired and not replaced saves Alberta the coupon payment in perpetuity. A \$1 billion bond at 4% saves \$40 million annually. Retiring \$10 billion in bonds over 3 years saves \$400 million annually – funds redirected to healthcare, education, or tax reduction.

### The Provincial Treasurer – Year 4

The quarterly bond maturity schedule shows \$2.1 billion coming due. Historically, Alberta would roll this into new bonds at current rates. Today, the Treasury attests \$4 billion in Heritage Fund assets, mints 2.1 billion BUCKs, swaps through the BUCK/CADT and BUCK/USDT pools over several weeks to minimize market impact, and retires the bonds at par.

The coupon payments – \$84 million annually at 4% – are permanently eliminated. Insurance on the attested Heritage Fund assets costs approximately \$10 million per year. Net annual savings: \$74 million. Redirected to the Alberta Child Benefit.

The bond market notices. Alberta's credit rating is *upgraded*: the province is reducing debt while maintaining the same asset base. The Heritage Fund assets still earn returns; they're simply now also backing the province's monetary sovereignty.

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<sup>12</sup>Albertans will pay their government's budget deficits, Fraser Institute, 2025. Provincial debt servicing ~\$3.2B annually, or ~\$700/Albertan.

<sup>13</sup>Alberta Heritage Savings Trust Fund, AIMCo. Market value ~\$30B as of 2024.

<sup>14</sup>Alberta Historical Royalty Revenue Data, Government of Alberta. Non-renewable resource revenue ~\$21B (2024-25 estimate).

### 4.3 The Self-Reinforcing Dynamic

Bond retirement creates a virtuous cycle:

1. Each retired bond reduces annual interest costs
2. Reduced interest costs improve the province's fiscal position
3. Improved fiscal position supports higher credit ratings
4. Higher ratings reduce the cost of any remaining conventional debt
5. Freed fiscal capacity funds infrastructure, reducing reliance on future borrowing

Simultaneously, private BUCK adoption accelerates as institutional trust deepens:

1. The province using BUCKs validates the instrument
2. Vendors who see provincial acceptance adopt BUCKs
3. Broader acceptance deepens liquidity pools
4. Deeper pools attract larger participants
5. Larger participants deepen pools further

### 4.4 What the Economy Looks Like – Year 5

#### The Plumbing Contractor – Year 5

Rob Makokis runs a 12-person plumbing company in Edmonton. Five years ago, his \$400K line of credit cost \$28,000/year in interest. Today, he mints BUCKs against his fleet (\$280K), his accounts receivable (\$150K via a new receivables attestation product), and his shop (\$320K). Insurance: \$3,750/year. Savings: \$24,250. He hired an apprentice with the difference.

His invoices show prices in both CAD\$ and BUCKs. About 30% of his residential clients pay in BUCKs. Commercial clients are 50/50. The general contractor on his current project, a provincial school renovation, pays him entirely in BUCKs minted by the province against the building being constructed.

At the coffee shop, he taps his phone. The terminal shows: "CAD\$ 4.25 | BUCK 4.19 | BTC 42,500 Sats". He pays in BUCKs. The barista doesn't care which – the POS terminal settles everything to the owner's preferred currency mix.

### 4.5 At the Credit Terminal – Year 5

The multi-currency terminal is now standard:

- **All retail:** CAD\$ (debit/credit), BUCK (tap/QR), BTC Lightning (tap/QR). Merchants choose their settlement preference.
- **Real estate:** Lawyers handle BUCK issuance as routinely as mortgage registration. Title offices record BUCK\_CREDIT liens alongside conventional mortgages.

- **Payroll:** Some employers offer partial BUCK salary. Employees who hold BUCKs-against-assets can spend directly without conversion.
- **Provincial services:** Property tax payable in BUCK or CAD\$. Vehicle registration in either.
- **USD transactions:** Cross-border trade in BUCK  $\rightarrow$  USDT  $\rightarrow$  USD, or direct BUCK/USD pools for energy sector invoicing.

## 5 Phase 3: Accelerating Transition (Years 5-10)

*The BUCK becomes Alberta's primary unit of account. CAD\$ recedes to cross-border settlement.*

### 5.1 The Monetary Tipping Point

Classical monetary economics identifies a tipping point where a superior monetary instrument becomes the preferred unit of account – not by mandate, but by revealed preference. Gresham's Law<sup>15</sup> operates in reverse when the "good money" is also the *cheaper* money: people prefer to transact in BUCKs because they avoid interest costs, and merchants prefer to receive BUCKs because their suppliers prefer them for the same reason.

By Year 7, the BUCK economy has reached an estimated \$50-80 billion in circulation – comparable to Alberta's M1 money supply. At this scale:

- Prices are increasingly quoted primarily in BUCKs, with CAD\$ as the conversion
- Wage negotiations reference BUCK purchasing power
- Provincial budgets are prepared in BUCKs
- The Heritage Savings Trust Fund holds a substantial BUCK allocation

### 5.2 Provincial Bond Retirement – Complete

The systematic retirement of Alberta's bond debt proceeds as bonds mature:

| Year | Bonds Retired (Cumulative) | Annual Interest Saved | Insurance Cost | Net Annual Savings |
|------|----------------------------|-----------------------|----------------|--------------------|
| 4    | \$5B                       | \$200M                | \$25M          | \$175M             |
| 5    | \$12B                      | \$480M                | \$60M          | \$420M             |
| 6    | \$22B                      | \$880M                | \$110M         | \$770M             |
| 7    | \$35B                      | \$1.4B                | \$175M         | \$1.2B             |
| 8    | \$50B                      | \$2.0B                | \$250M         | \$1.75B            |
| 10   | \$75B                      | \$3.0B                | \$375M         | \$2.6B             |

By Year 10, most provincial debt is retired. The \$2.6 billion in net annual savings – formerly transferred to bondholders – is available for productive investment, tax reduction, or citizen dividends.

<sup>15</sup>Gresham's Law states that "bad money drives out good" when both circulate at a fixed exchange rate – the inferior currency is spent while the superior is hoarded. When the good money is also *cheaper to use* (zero interest vs. borrowing costs), the dynamic reverses: the superior instrument is preferred for transactions. See Selgin, G. (1996) *Salvaging Gresham's Law*.

## 5.3 The Macroeconomic Transformation

The transition produces several macroeconomic effects that reinforce stability:

### 5.3.1 Money Supply Dynamics

In the debt-based system, money supply requires continuous new borrowing to service interest on existing debt – the mathematical impossibility that drives ever-expanding public and private debt. In the BUCK system, money supply is bounded by the aggregate value of attested, insured wealth. The PID-controlled BUCK\_K stabilization factor adjusts issuance capacity dynamically to maintain price stability against the commodity basket, without requiring continuous debt expansion.

### 5.3.2 Interest Rate Transmission

As the BUCK economy grows, the demand for CAD\$-denominated borrowing in Alberta declines. Banks face a choice: reduce interest rates to compete with zero-interest BUCK issuance, or accept shrinking market share. Either outcome benefits Alberta borrowers.

This is *not* a disorderly disruption. Banks retain their role in risk assessment, custody, and payment processing. What changes is the *source* of money: from bank credit creation to citizen wealth attestation. Banks can profitably participate by offering BUCK custody, attestation services, and DeFi integration.

### 5.3.3 Fiscal Sovereignty

A province whose money supply is backed by its citizens' attested wealth, rather than denominated in debt to external creditors, has genuine fiscal sovereignty. Budget decisions reflect Albertans' priorities rather than bondholders' demands. Infrastructure investment is funded by wealth attestation at insurance cost, not by debt issuance at interest.

#### The CFO – Year 8

Sarah Chen is CFO of a mid-size oilfield services company in Calgary. Revenue: 120M. She manages the company's USD\$, BUCK, and a small BTC reserve.

Her U.S. clients pay in USD, which she holds for USD-denominated equipment purchases. Her Alberta operations run primarily in BUCKs – payroll, suppliers, insurance, and provincial taxes. For cross-border invoicing, the BUCK/USDT pool provides instant settlement at tight spreads.

The company's \$15M in equipment and \$8M in receivables back BUCK issuance for working capital. No line of credit needed. No bank relationship manager "reviewing" her covenant ratios quarterly. The insurer's attestation is automated and continuous.

She maintains a modest CAD\$ operating account for federal tax remittances and occasional Ontario supplier payments. The CAD\$ is becoming what the USD was in Phase 0: a cross-border settlement currency, not a daily operating medium.

Her board asked about BTC treasury allocation. She allocated 5% of reserves to BTC (Lightning for fast settlement) and 5% to PAXG as commodity-correlation hedges. The rest is BUCK-denominated, backed by company assets. The annual report shows \$1.8M in eliminated interest costs.

## 6 Phase 4: Maturity (Year 10+)

*Alberta's monetary architecture is fundamentally transformed.*

### 6.1 The New Normal

A decade into the transition, Alberta's monetary landscape is qualitatively different:

- **Private debt:** Alberta mortgage debt has declined from \$197B to under \$50B as families transition to BUCK issuance. Remaining mortgages are held by those who prefer conventional financing or own assets not yet covered by parametric insurance.
- **Farm debt:** Reduced from \$37B to under \$10B. Seasonal bridge financing is almost entirely BUCK-based. Farm bankruptcy rates have dropped by 60%. Rural communities are stabilizing as the debt trap that drove consolidation is broken.
- **Provincial debt:** Effectively zero. The \$3.2B annual interest payment is history. The Heritage Fund has doubled as compound returns no longer compete with debt service for fiscal priority.
- **Credit terminals:** Every terminal accepts CAD\$, BUCK, BTC (Lightning), and USD\$. Merchants set their preferred settlement mix. Cross-border trade with the US uses BUCK→USDT→USD or direct BUCK/USD pools. Trade with Asia increasingly settles in BUCK/USDT given the BUCK's commodity-basket stability.

### 6.2 What \$23 Billion Per Year Buys

The elimination of \$23 billion in annual interest extraction does not make that money "disappear" – it redirects it into Alberta's productive economy:

| Freed Capital             | Annual Amount | Impact   |
|---------------------------|---------------|--|
| Mortgage interest saved   | \$10B         | Household consumption, education, small business   |
| Farm interest saved       | \$1.9B        | Equipment modernization, succession, rural revival |
| Business interest saved   | \$8.5B        | Hiring, R&D, export growth                         |
| Provincial interest saved | \$3.2B        | Healthcare, education, infrastructure, tax relief  |
| <b>Total retained</b>     | <b>\$23B</b>  | <b>Recirculates locally instead of extraction</b>  |

The macroeconomic multiplier on locally retained spending (estimated 1.5-2.0x)<sup>16</sup> suggests the GDP impact exceeds \$35 billion annually – a transformative increase for a province of 4.6 million people.

### 6.3 Global Implications

Alberta's BUCK, denominated in a stable commodity basket and backed by transparently attested real wealth, becomes attractive to international participants seeking an alternative to USD-denominated stablecoins backed by volatile debt instruments. As the *Value of Freedom*<sup>8</sup> envisions,

<sup>16</sup>Local multiplier effects on retained spending are well-documented in regional economics. See Civic Economics (2012) *Indie Impact Study*, which found local recirculation multipliers of 1.5-3.0x depending on sector and community size. The 1.5-2.0x estimate is conservative for a resource-rich economy like Alberta's.

Alberta's commodity and energy wealth *can* become a global reserve asset – but through market adoption of a superior instrument rather than through sovereign decree.

Corporate treasuries, sovereign wealth funds, and commodity traders begin holding BUCK positions as a stable store of value uncorrelated with any single government's monetary policy<sup>17</sup>. The BUCK/USDT and BUCK/PAXG pools become major DeFi liquidity centres.

Alberta's insurance and attestation expertise becomes a globally exportable service industry – the "Alberta Advantage" applied to the next generation of financial technology.

## 7 The Path Not Taken: What Delay Costs

Every day of delay costs Alberta \$63 million in unnecessary interest extraction. Every year, \$23 billion. Over the ten-year transition period outlined above, the cumulative cost of inaction exceeds \$200 billion in interest that could have been retained by Alberta families, farmers, businesses, and the provincial government.

The technical mechanisms exist. The legal foundation is sound. The architectural design is detailed and implementable. The commodity-basket valuation has been empirically validated.

What remains is the political will to fund a \$6 million R&D program that could return Alberta's \$23 billion.

The choice is between a future where Alberta's wealth funds Alberta's prosperity, and a present where Alberta's wealth funds bank shareholders' dividends. The transition roadmap is clear. The first step is to begin.

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<sup>17</sup>Stablecoin market capitalization exceeded \$200B in 2025, with Tether (USDT) alone processing more daily transaction volume than Visa. See Visa Onchain Analytics. A commodity-basket-backed stablecoin offers diversified backing vs. the USD debt instruments behind USDT and USDC.